

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:6184
ANSWERED ON:03.05.2013
INSURANCE COVERAGE TO CITIZENS
Singh Dr. Raghuvansh Prasad

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government is committed towards providing insurance coverage to each and every citizen of the country;
- (b) if so, the details thereof; and
- (c) the steps being taken by the Government in this direction?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA)

(a) to (c) Insurance Regulatory and Development Authority has put in place regulatory initiatives, as part of its development role, for penetration of insurance amongst all sections of the society, including, rural, and social sectors. Towards this purpose, the Authority has notified IRDA (Obligations of Insurers to Rural and Social Sectors) Regulations 2002, in accordance to which all insurers registered with IRDA shall cover every year a specific number of lives, at minimum, from social sector sections of the society. In the rural sector, all the life insurers shall cover every year a specific percentage of total policies and all non-life insurers shall bring a specified percentage of premium on the total gross premium written.

In addition to this, the Authority has also notified IRDA (Micro Insurance) Regulations, 2005 with the objective of facilitating the penetration of insurance amongst economically vulnerable sections of society. Insurance Regulatory and Development Authority also initiates consultations with the industry on an ongoing basis, to further the penetration of insurance in the country.

The public sector insurance companies have been assigned the task of reaching to the masses by opening offices in all towns upto tier-IV towns. The only way to increase penetration is to increase awareness about the benefits of taking insurance, especially among the rural masses. Opening of offices by public sector insurance companies would definitely help in this direction by making available the products to the people in the rural areas.

The Government has also launched Rashtriya Swasthya Bima Yojana (RSBY) to provide smart card based cashless health insurance, including maternity benefit, cover of Rs.30,000/- per annum on family floater basis to BPL families (a unit of five) in the unorganized sector. The Scheme became operational with effect from 01.04.2008.

It is the endeavour of the Government to extend RSBY to all unorganized workers in a phased manner. As on 31.03.2013, more than 3.44 crore smart cards have been issued in 28 States / Union Territories.