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JAN SURAKSHA SCHEMES

This article covers "Daily Current Affairs" and the topic details "Jan Suraksha Schemes". The topic "Jan Suraksha Schemes" has relevance in the Governance section for the UPSC CSE exam.
Relevance of the topic " Jan Suraksha Schemes"
For Prelims:
Details of Pradhan Mantri Suraksha Bima Yojana (PMJJBY), Pradhan Mantri Jeevan Jyoti Bima Yojana (PMSBY) and Atal Pension Yojana (APY)
For Mains:
GS 2:Governance
What is the significance of Jan Suraksha Schemes?
What are the issues in Jan Suraksha Schemes?
Way Forward

Why in the news?
Pradhan Mantri Suraksha Bima Yojana (PMJJBY), Pradhan Mantri Jeevan Jyoti Bima Yojana (PMSBY), and Atal Pension Yojana (APY) complete 8 years of providing social security cover.
Details of Pradhan Mantri Suraksha Bima Yojana (PMJJBY), Pradhan Mantri Jeevan Jyoti Bima Yojana (PMSBY) and Atal Pension Yojana (APY):

Pradhan Mantri Suraksha Bima Yojana (PMJJBY)
- **About the scheme:** The Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY) is a government-backed one-year life insurance scheme that offers coverage for death due to any reason.
- **Eligibility:** Individuals between the ages of 18 and 50 who have an individual bank or post office account are eligible to enroll in the scheme. Those who join the scheme before turning 50 can continue to have their lives covered up to the age of 55 by paying regular premiums.
- **Benefits:** The scheme provides a life cover of Rs. 2 lahks against an annual premium of Rs. 436.
- **Status of the scheme:** The scheme has had more than 16.19 crore cumulative enrollments as of 26.04.2023 and has paid out Rs. 13,290.40 crores for 6,64,520 claims.

Pradhan Mantri Suraksha Bima Yojana (PMJJBY)
- **About the scheme:** The Pradhan Mantri Suraksha Bima Yojana (PMSBY) is a renewable one-year accidental insurance scheme that offers coverage for death or disability due to accidents.
- **Eligibility:** Individuals between the ages of 18 and 70 who have an individual bank or post office account are eligible to enroll in the scheme.

- **Benefits:** The scheme provides an accidental death cum disability cover of Rs. 2 lakh (Rs. 1 lakh in case of partial disability) for death or disability due to an accident against an annual premium of Rs. 20.
- **Status of the scheme:** The scheme has had more than 34.18 crore cumulative enrollments as of 26.04.2023 and has paid out Rs. 2,302.26 crores for 1,15,951 claims.

Atal Pension Yojana (APY)
- **About the scheme:** The Atal Pension Yojana (APY) is a social security scheme initiated by the Government to ensure financial stability for all, especially those in the unorganized sector. It is administered by the Pension Fund Regulatory and Development Authority (PFRDA) under the National Pension System (NPS).
- **Eligibility:** The scheme is available to all non-income tax-paying bank account holders between 18 to 40 years of age, with contributions varying based on the pension amount chosen.
- **Benefits:** Upon reaching 60 years of age, subscribers will receive a minimum monthly pension of Rs. 1000 or Rs. 2000 or Rs. 3000 or Rs. 4000 or Rs. 5000 based on their contributions.
- **Disbursement of Scheme Benefits:** Subscribers, their spouse, or nominee will receive the pension corpus upon the subscriber's death. If the subscriber dies before turning 60, their spouse can continue contributions until the subscriber would have attained 60 years of age.
- **Contribution by Central Government:** The Government guarantees the minimum pension, funding any shortfall in the corpus. If returns on investment exceed expectations, subscribers receive enhanced benefits.
- **Payment Frequency:** Contributions can be made monthly, quarterly or half-yearly.
- **Withdrawal:** Subscribers can exit the scheme under certain conditions, with deductions for government co-contribution and interest.
- **Achievements:** As of 27.04.2023, over 5 crore individuals have subscribed to APY.

What is the significance of Jan Suraksha Schemes?
1. These schemes are especially relevant for low-income earners, casual workers, and those engaged in the informal sector who may not have access to traditional insurance products due to high costs or lack of awareness.
2. These schemes provide affordable insurance and pension products that offer protection against financial contingencies such as accidental death, disability, and natural death.
3. They also encourage savings and help in building a culture of savings and investment among people who would otherwise not have access to these products.

What are the issues with Jan Suraksha Schemes?
- **Lack of Awareness:** Many people who are eligible for these schemes are not aware of their existence or how to enroll in them.
- **Limited Coverage:** The coverage provided by the schemes is limited, and there are still many people who are not covered under any social security scheme.
  For example, the PMSBY covers only accidental death or disability, while the PMJJBY covers only death due to any reason. This leaves many other risks uncovered, such as illness, disability due to non-accidental reasons, and so on.
- **Low Insurance Coverage:** The insurance coverage provided by these schemes is also relatively low, which may not be sufficient to cover the actual costs of medical treatment or other expenses in case of an eventuality.

For example, the life insurance cover under the PMJJBY is only Rs. 2 lacks, which may not be enough for many families.

- **Delay in Claims Processing:** There have been reports of delays in claims processing and disbursal, which can be a major issue for people who are in urgent need of funds.
- **Operational Issues:** The implementation of the schemes has also faced operational issues, such as difficulties in enrolling people due to a lack of infrastructure, inadequate staff, and technical glitches in the enrollment process.

Source:
https://pib.gov.in/PressReleseDetail.aspx?PRID=1922622

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