

F. No.I-13016/01/2014-Ins.I  
Government of India  
Ministry of Finance  
Department of Financial Services

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2<sup>nd</sup> Floor, Jeevan Deep Bldg, Parliament Street,  
New Delhi, Dated the 20<sup>th</sup> April, 2015

To

The Chairman,  
LIC of India  
Central Office, Yogakshema,  
Mumbai

**Subject: Rs. 30,000/- Life insurance cover under the Pradhan Mantri Jan Dhan Yojana (PMJDY).**

Sir,

I am directed to refer to LIC's e-mail, dated 26.03. 2015 on the above mentioned subject and to convey the approval for the following as indicated against each issue in the terms and conditions for life insurance coverage under PMJDY:-

Sl. No	Issues	Modifications / Clarifications approved by DFS
1	As per the guidelines & features of PMJDY, under para Ineligible Categories one ineligible category is mentioned as, "Otherwise eligible account holders, who have life cover on account of any other scheme of the Bank against the account, shall have to choose between the two schemes and derive benefit from any one"	It has been decided that coverage cannot be denied to the member under the PMJDY scheme; if the member himself has paid the Insurance Premium in full or partially for availing any other Insurance Benefit linked with the same bank account.
2	In case of joint account of PMJDY, if primary account holder is ineligible for risk cover of Rs. 30,000/- then whether the risk cover of Rs 30,000/- can be extended to the secondary account holder if he/she is satisfying the eligible conditions?	It has been decided that in case of joint account under PMJDY, if primary account holder is ineligible for risk over of Rs. 30,000/- then the risk cover of Rs 30,000/- should be extended to the secondary account holder provided if he/she satisfies the eligibility conditions for life cover.
3	Reduction of paper work	It has been decided that for life cover paper work must also be reduced.



4	Extension of Scheme	It has been decided to extend the scheme upto 31.01.2015
5	As per Section 64 VB Sub Section (1) of Insurance Act, 1938, no Insurer shall assume any risk unless premium is received in advance. However, as per Section 64 VB Sub Section 5: "The Central Government may, by rules, relax the requirements of sub-section (1) in respect of particular categories of insurance policies"	It has been agreed that relaxation may be granted under Section 64 VB Sub Section 5 and thus allowed LIC to commence the scheme without insisting on full premium and also permit LIC to settle the death claims as and when these arise under the scheme.
6	It may be possible that as on date of opening the account(accounts opened between 15 <sup>th</sup> August, 2014 to 25 <sup>th</sup> January, 2015), the account holder may not be 18 years of age but may be subsequently attaining age 18 years(between 16 <sup>th</sup> August 2014 to 26 <sup>th</sup> January, 2015)". If member attains age of 18 years subsequently before 26.01.2015, whether he should be considered for Life Insurance coverage under Pradhan Mantri Jan Dhan Yojana (PMJDY) or not.	It has been decided that if a minor opens an account between 15th August 2014 to 26th January 2015 then he should be considered eligible for Life Insurance Cover under PMJDY on attaining the age of 18 years within the then period from 15.08.2014 to 26.01.2015. (Now extended to 31.01.15)
7	<p>The following modifications in the basic eligibility conditions for life cover under PMJDY have been agreed :</p> <p><u>Existing Basic Eligibility Condition:</u></p> <p>i. <u>Existing:</u> Person opening bank account for the first time, with RuPay Card in addition, during the period from 15-08-14 to 26-01-15, or any additional period as may be extended further by Government of India.</p> <p>ii. <u>Existing:</u> The person should normally be head of the family or an earning member of the family and should be in the age group of 18 to 59 ( i.e. person should be at least 18 years old, and should not have turned 60). In case the head of family is 60 years or more of age, the second earning person of the family in the above mentioned age group will be covered, subject to eligibility.</p> <p>iii. <u>Existing:</u> Person must have a RuPay Card and Bio – Metric Card linked to bank account or in process of being linked to bank account if not already there.</p>	<p><u>Revised approved Basic Eligibility Condition:-</u></p> <p>i. <u>Approved eligibility condition:</u> Person opening Bank account having RuPay Card in addition, during the period from 15-08-14 to 31-01-15, or any additional period as may be extended further by Government of India.</p> <p>ii. <u>Approved eligibility condition:</u> The person should be a member of the family and should be in the age group of 18 to 59 (i.e. person should be at least 18 years old, and should not have turned 60) and meet all other conditions of eligibility like having a bank account etc.</p> <p>iii. <u>Approved eligibility condition:</u> Person must have a RuPay Card and Bio-Metric Card linked to bank account or in process of being linked to bank account if not already there. However, no Claim should be denied due to this condition.</p>

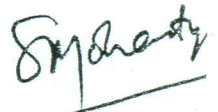
*Sharma*



	vi. <u>Existing</u> : Only one person in the family will be covered in the Bima Scheme and in case of the person having multiple cards / accounts the benefit will be allowed only under one card i.e. one person per family will get a single cover of Rs.30,000/-, subject to the eligibility conditions.	vi. <u>Approved eligibility condition</u> : In case of a person having multiple cards / accounts, the benefit will be allowed only under one card i.e. one person will get a single cover of Rs.30,000/-, subject to the eligibility conditions.
8	i. The Definition of a family of a PMJDY account holder.	i. It has been decided that family definition of Aam Aadmi Bima Yojana (AABY) may be adopted in this scheme also, if required for any purpose.
	ii. All rejected cases under PMJDY will have to be reopened and reconsidered in case the guidelines are revised.	ii. It has been approved that all rejected cases under PMJDY will be reopened and reconsidered in view of the revised guidelines.

2. It is requested that necessary action, may be ensured to operationalize the life cover arrangement under PMJDY within the existing and revised terms and conditions.

Yours faithfully,



(S.K. Mohanty)

Under Secretary to the Govt. of India

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CC 1. JS (FI), DFS &

2. ☒ Director (FI), DFS for information and necessary action.

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SOP(FI)  
Shri Sharma / Minister  
Office  
Inker  
20/04/2015  
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