

Pradhan Mantri Suraksha Bima Yojana (PMSBY)

The scheme is a one year cover Personal Accident Insurance Scheme, renewable from year to year, offering accidental death & disability cover for death or disability on account of an accident.

Enrolment period & Modality: The cover period under PMSBY will be effective from 1st June of premium year to 31st May of succeeding year. Subscribers who wish to continue beyond the first year will be expected to give their consent for auto debit before each successive May 31st for successive years. Delayed renewal subsequent to this date may be possible on payment of full annual premium

Eligibility: Available to people in age group 18 to 70 years with bank account. Any person having a bank account and Aadhaar number linked to the bank account can give a simple form to the bank every year before 1st of June in order to join the scheme

Premium and Appropriation of Premium: Insurance Premium payable to insurance company wef 01.06.2022 is Rs. 20/- (previously Rs.12/-) per annum per member;

- Reimbursement of Expenses to BC/Micro/Corporate/Agent by insurer: Rs.1/- per member for new members only;
- Reimbursement of Administrative expenses to participating Bank by insurer: Rs.1/- per annum per member.

Payment Mode: The premium will be directly auto-debited by the bank from the subscribers account. This is the only mode available.

Risk Coverage: For accidental death and full disability – Rs 2 Lakh and for partial disability – Rs 1 Lakh. The benefit will be Rs.2.00 lacs if there is loss of both eyes or both hands, or both feet or loss of sight of one eye and loss of use of one hand or foot. And Rs. 1 lac if there is loss of sight of one eye or loss of use of one hand or foot.

Handling of documents for Claim: Maximum time limit for Bank to transmit the electronic images (scanned copy) of duly completed claim form to Insurance Company is 7 days & maximum time limit for Insurance Company to approve claim & disburse money thereafter is 7 days.

Eligibility: Name of nominee to be given in the form.

Terms of Risk Coverage: A person has to opt for the scheme every year. He can also prefer to give a long- term option of continuing in which case his account will be auto-debited every year by the bank.

Who will implement this Scheme? The scheme will be offered by all Public Sector General Insurance Companies and all other insurers who are willing to join the scheme and tie-up with banks for this purpose. The premium paid will be tax-free under section 80C and also the proceeds amount will get tax-exemption u/s 10(10D). But if the proceeds from insurance policy exceed Rs.1 lakh, TDS at the rate of 2% from the total proceeds if no Form 15G or Form 15H is submitted to the insurer

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