



## New Inventive Schemes – Enrichment for Social Security

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**ABSTRACT**

Social security systems make sure that the bare minimum stage of livelihood to the needy by public aid, and they also encourage public health and social wellbeing. They play three roles such as deal with factors that cause needy circumstances, Minimum level of living and it Promotes public health and social security. India had a valuable, fiscal and exciting security in joint families, crafts communities and coalition, ethnicity & civil liberties of individuals, and Panchayats. However, now the united family organization is flouting to nuclear families thus requiring a new construction for social security. India being a Social, Democratic Republic it is the duty of the state to provide for social security schemes. A Socialist State is one that accepts the responsibility for providing and ensuring social security to all its citizens without discrimination. Social Security in India would require minimum employment scheme, insurance, pension and children’s education and life and cattle insurance. Now the government of India has announced various social security schemes for the enhancement of poor and middle class people. The author has tried to study the new innovative government schemes and also give a ranking report in this paper.

**KEYWORDS**

Beneficiaries Insurance, Innovation, Pension, Social Security, Schemes

**Introduction**

Insurance is a colossal and one of the most fast mounting sectors in India. It’s the major reasons why leading market players are attracted to the Indian insurance market for business extension. The amalgamation of Indian Industry designates that it has recorded instant and balanced growth with a record growth rate of 32 percent to 34 percent. India has the largest number of life insurance policies in the world which is great news for the leading insurance companies in India. Around 80 percent of Indian population doesn’t have life insurance coverage. While some of them do have some kind of health insurance and other non-life insurance policies. People, who don’t have insurance coverage in India, belong to socially and economically weaker section with lack of pension and social security systems. Our Government has announced various schemes for financial weak sections. This is a great opportunity to the insurers to expand their reach throughout all the strata of Indian society.

**The three mega social security initiatives plus one pension and two insurance schemes in all.**

**These are Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY) and Pradhan Mantri Suraksha Bima Yojana (PMSBY) and Atal Pension Yojana (APY).**

The schemes are expected to address the issue of very low coverage of life or accident insurance and old age income in the country, it said. A higher level of APY enrolments from the informal sector will ensure better life chances for such subscribers in their post-retirement phase and resultant decrease in the burden on social security under the National Social Assistance Programme in future, it said. This will enable the government to improve the quality of infrastructure and also deploy long-term savings mobilized in other needy sectors, as the pension contributions would be invested in the productive sectors of the economy, it added.

The insurance schemes, PMSBY and PMJJBY will provide much needed access to affordable personal accident and life cover to a vast population, currently not having convenient and systematic access of this nature. It will go a long way in improving insurance awareness and insurance penetration in the country,” it said.

PMSBY will offer a renewable one year accidental death-cum-disability cover of Rs 2 lakh for partial/permanent disability to all savings bank account holders in the age group of 18-70 years for a premium of Rs 12 per annum per subscriber.

The Pradhan Mantri of India Narendra Modi has launched another flagship social security scheme: Pradhan Mantri Suraksha Bima Yojana (PMSBY) - An accidental Death and Disability insurance scheme.

**TABLE NO: 1  
JEEVAN JYOTI BIMA YOJANA (PMJJBY) VS SURAKSHA BIMA YOJANA (PMSBY)**

| S. No. | Features   | Pradhan Mantri Suraksha Bima Yojana (PMSBY)              | Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY)         |
|--------|--|--|--|
| 1.     | Eligibility  | 18-70 years  | 18-50 years  |
| 2.     | Number of Policy   | One Policy Per Person                                    | One Policy Per Person                                    |
| 3.     | When to Join the Scheme?   | In any year after giving the premium subject to the age. | In any year after giving the premium subject to the age. |
| 4.     | Sum Assured (Fixed)  | Rs.2 lakhs   | Rs.2 lakhs   |
| 5.     | Premium  | Rs. 12 per annum   | Rs. 330 per annum  |
| 6.     | Cover ceasing age  | At the age of 70 years                                   | At the age of 55 years                                   |
| 7.     | Maturity Benefit   | Nil  | Nil  |
| 8.     | Death Benefit (Natural Death)  | Nil  | Rs.2 lakhs   |
| 9.     | Death Benefit (Accidental Death)                                       | Rs.2 lakhs   | Rs.2 lakhs   |
| 10.    | Disability of both eyes, both hands, both legs or one eye and one limb | Rs.2 lakhs   | Nil  |
| 11.    | Disability of one eye or one limb                                      | Rs.1 lakh  | Nil  |

|     |                         |   |   |
|-----|-------------------------|---|---|
| 12. | Maximum Insurance cover | Rs.2 lakhs (From any one of Bank account)                                 | Rs.2 lakhs (From any one of Bank account)                                 |
| 13. | Risk Period             | 1st June to 31st May every year.  | 1st June to 31st May every year.  |
| 14. | Mode of Payment         | Premium will be auto debited from account in the month of May every year. | Premium will be auto debited from account in the month of May every year. |
| 15. | Mandatory Document      | Aadhar Card   | Aadhar Card   |

Lots of interested persons are getting mystified between Pradhan Mantri Suraksha Bima Yojana, Pradhan Mantri Jeevan Jyoti Bima as both have insurance and are more or less similar.

**TABLE NO: 2  
SIMILARITIES BETWEEN PMSBY AND PMJJBY**

| S.no | Features                | Pradhan Mantri Suraksha Bima Yojana (PMSBY) | Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY) |
|------|-------------------------|---|--|
| 1.   | Sum assured (fixed)     | Rs. 2 lakhs                                 | Rs. 2 lakhs                                      |
| 2.   | Maturity benefit        | Nil   | Nil  |
| 3.   | Accidental benefit      | Rs. 2 lakhs                                 | Rs. 2 lakhs                                      |
| 4.   | Maximum insurance cover | Rs. 2 lakhs                                 | Rs. 2 lakhs                                      |
| 5.   | Mode of payment         | Premium to be auto debited                  | Premium to be auto debited                       |
| 6.   | Insurance period        | 1 June to 31 May                            | 1 June to 31 May                                 |

Atal Pension Yojana: Any Citizen of India can join APY scheme. APY is a pension scheme for citizens of India, primarily focused on the unorganized sector workers. Under the APY scheme, a guaranteed minimum pension of Rs. 1,000/-, 2,000/-, 3,000/-, 4,000 and 5,000/- per month will be given at the age of 60 years depending on the contributions made by the subscribers. In case of death of the subscriber, pension amount will be given to the spouse, and on the death of both (subscriber & spouse), the accumulated pension corpus would be returned to the subscriber's nominee.

**TABLE NO: 3  
ATAL PENSION YOJANA**

| S.NO | FEATURES                        | ATAL PENSION YOJANA   |
|------|---------------------------------|---|
|      | Entry age to join in APY Scheme | 18-40 years   |
|      | Guaranteed Monthly Pension      | 1000-5000   |
|      | Starting age to receive pension | 60 years  |
|      | Contribution Period             | Based on Entry Age of Scheme holder   |
|      | Mode of Paying Premium          | Monthly Premium will be Auto-debited by the bank from the Scheme holder's account |
|      | Date of Implementation          | 1st June 2015   |
|      | Primary KYC                     | Aadhar number   |

The pension amount under APY scheme is a guaranteed one. This may sound attractive, but from returns point of view and considering the rate of inflation in India, the pension amount (maximum Rs 5,000 per month) may not be sufficient during the retirement age. However, in India we do not have any Social Security System. So, this scheme is an attractive one especially to the lower income group or individuals who are working in the unorganized sectors. However, the higher income group families may also reap the benefits of this scheme, which is primarily meant for the poor.

**CHART NO: 1  
RANKINGS AND SUMMARY FOR PMJJBY, PMSBY AND API**



Source: [www.jansuraksha.gov.in/Files/Reports/30.07.2015.pdf](http://www.jansuraksha.gov.in/Files/Reports/30.07.2015.pdf)

The above pictograph represents that the performance of Pradhan Mantri Suraksha Bima Yojana (PMSBY), Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY) and Atal Pension Yojana (APY). Around 42 banks are providing this kind of services to the general public and it clearly shows that there is an increasing trend in cumulative values and there is a growth over every previous day. Apart from the state bank of India has the maximum value as ( 20,105,751), Punjab National bank ( 8,055,483), Bank of Baroda ( 6,645,730), Canara Bank (6,171,667), Bank of India ( 5,244,418) Central Bank of India has a least value of ( 5,083,552). In addition to that there is an increasing tendency in Daily Trend in PMJJBY, PMSBY & APY Schemes in lac (1,074.40, 1,075.60, 1,076.75, 1,078.04 1,078.62). And final utmost 77 % of contributions are agreed by public sector banks 16 % by RRB, 5% by private sectors and only 2 % by rural co-operations etc.,

**Conclusion**

In order to conclude, the above stated social security measures aimed at three things namely compensation, renovation and anticipation, and social security benefits were provided in India in two major ways namely social insurance and social assistance. Extending social security to unorganized sector, introducing unemployment insurance, making the workers contribute small amounts towards social security and bringing various social security schemes under a common roof were steps to improve the lots of people in a capital-hungry and labor-surplus country like India. Comprehensive Social Security Scheme for people. Therefore, it's really useful scheme for general public in our country.

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