

BoI pact with insurance Cos for Govt. social security schemes

Beena Parmar

Mumbai, April 24:

Bank of India partnered with insurance companies New India Assurance Co and Star Union Dai-ichi Life Insurance to roll out the government's social security insurance schemes.

"The New India Assurance and Star Union Dai-ichi Life Insurance Company will issue a Group Policy to the Bank and the Policy would start on June 1, 2015 for one year. Enrolment is likely to start from May 1, 2015," the bank said in a statement.

It added, "No proposal form required from account holder. Account holder has to give auto-debit request form to the Bank and will get acknowledgement cum certificate by the Bank immediately. The claim request will be forwarded through the respective bank branch for settlement of claim by the insurance companies. The bank account will get credited. If no nominee is given, the proceeds will go to nominee of bank account.

As per the Pradhan Mantri Suraksha Bima Yojna (PMSBY) scheme guideline, bank customers in the age bracket of 18-70 years will be eligible for risk coverage of ₹ 2 lakh for accidental death and full disability and ₹ 1 lakh for partial disability. The premium is just ₹ 12 per annum plus service tax. A person has to opt for the scheme every year. She/he can also prefer to give a long-term option of continuing in which the account will be auto-debited every year by the Bank.

As per Pradhan Mantri Jeevan Jyoti Bima Yojna (PMJJBY) scheme guidelines, customers in the age bracket of 18-50 years will be eligible for coverage of ₹ 2 lakh for life insurance. The premium is just ₹ 330 per annum (plus service taxes as applicable), which will be directly auto-debited by the bank from subscribers account. Initial enrolment under the scheme will be for one year period which would be renewed every year as per customer auto debit mandate in this regard.

In case of joint account holders, each person can take ₹ 2 lakh cover by paying the premium each.

V R Iyer, Chairperson and MD, Bank of India, said, "Bank of India has a customer base of 70.13 million (7.01 crore) who can benefit by these Union Government social security initiatives as per their eligibility in this regard. Cumulatively till now, Bank has opened more than 18.2 million accounts under various FI initiatives and out of it 7.02 million (70.2 lakh) accounts have been opened since launch of Pradhan Mantri Jan Dhan Yojna (PMJDY) in August. The Bank would drive to enrol maximum number of eligible Savings Bank accounts holders after launch of the above schemes though involvement of all its field functionaries including Business correspondents."

(This article was published on April 24, 2015)