

A meeting of the COS was held on 09.05.2017 regarding progress of convergence of insurance schemes. In the meeting, it was decided to converge Aam Aadmi Bima Yojana (AABY) to Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY) and Pradhan Mantri Suraksha Bima Yojana (PMSBY).

2. The AABY was transferred to Ministry of Labour and Employment from DFS, Ministry of Finance vide. Ministry of Finance's Order no. I-13017/1/2014-Ins. I dated 21.06.2017.

3. Aam Aadmi Bima Yojana (AABY) was a social sector insurance scheme providing life insurance cover to the economically backward sections of the society. 'Aam Aadmi Bima Yojana (AABY)' extended life and disability cover to persons between the age of 18 years to 59 years, living below and marginally above the poverty line under 48 identified vocational / occupational groups. AABY provided insurance cover for a sum of ₹30,000/- on natural death, and ₹75,000/- on death due to accident. The total annual premium under the Scheme was ₹200/- per beneficiary of which 50 per cent was contributed from the Social Security Fund created by the Central Government and maintained by LIC. The balance 50 per cent of the premium was contributed by the State Government / Nodal Agency / Individual as the case may be. The scheme was being implemented through Life Insurance Corporation of India (LIC).

4. PMJJBY covers natural death at the rate of ₹330/- per annum for an age span from 18 to 50 years and a coverage of ₹2 lakhs. PMSBY covers accidental death and disability covering an age span from 18 years to 70 years with a coverage of ₹2 lakhs. It has been decided that after convergence of AABY to PMJJBY/PMSBY, the sharing pattern between the states and the center will remain 50:50 and the scholarship scheme would continue.

5. A premium of ₹342 (330+12) would be required to bring the insurance cover at par with PMJJBY/PMSBY for all AABY beneficiaries in the age group of 18 to 50 years. All Chief Secretaries/Administrator of State Governments/UT Administration have been requested to transfer the beneficiaries under AABY in the age group of 18 to 50 years to PMJJBY and PMSBY. Concurrence of the State Governments/UT Administration was also solicited for financing the State/UT's share of premium i.e. ₹171 per annum per beneficiary. Central Share of the premium is already with LIC under the Social Security Fund.

6. For the age group of 51-59 years, the old AABY will continue and States may cover workers above 50 years with PMSBY too at a premium of ₹12 per beneficiary per annum.