



A Study on Problems Faced By Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY) Participants in Coimbatore District

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Date of Submission: 02-04-2024

Date of Acceptance: 12-04-2024

Abstract:

Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY) is a government-backed life insurance scheme in India that aims to provide affordable life insurance coverage to all citizens. Launched in 2015, PMJJBY seeks to ensure financial security and peace of mind for individuals and their families. It offers a renewable one-year term life insurance policy with a sum assured of ₹2 lakh (approximately USD 2,700) in case of the policyholder's death from any cause, natural or accidental. This research paper focuses on studying the challenges and barriers faced by individuals in accessing and benefiting from PMJJBY. The study primarily focuses on the Coimbatore district, with a sample size of 237 respondents. The convenient sampling method was used for data collection. The analysis involved simple percentage analysis, rank analysis, chi-square test, and one-way ANOVA. The conclusion regarding the majority of the state's population being ineligible for social security programs and their lack of engagement in social and economic growth seems unrelated to the research objective of studying PMJJBY accessibility. This section might require further investigation or removal.

Keywords: Insurance, Risk, Social security, PMJJBY

I. Introduction:

Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY) is a government-backed life insurance scheme in India aimed at providing affordable life insurance coverage to all citizens. Launched in 2015, PMJJBY aims to ensure financial security and peace of mind for individuals and their families by offering a renewable one-year term life insurance policy with a sum assured of ₹2 lakh (approximately USD 2,700) in case of the insured's death due to any reason, be it natural or accidental.

Under this scheme, individuals between the ages of 18 to 50 years can enrol by paying a nominal premium, typically around ₹330 (approximately USD 4.50) per annum, through their bank accounts. The enrolment process is simple and accessible, as individuals can join the scheme through participating banks, which act as facilitators for the scheme. PMJJBY is designed to be inclusive, targeting individuals from various socio-economic backgrounds, including those in rural and remote areas, thereby promoting financial inclusion and social security. Additionally, the scheme offers easy renewal options to ensure continuous coverage for policyholders. PMJJBY serves as a crucial safety net for families, especially those who may not have access to or afford conventional life insurance policies, providing them with a measure of financial stability and support in times of unforeseen circumstances.

In essence, Pradhan Mantri Jeevan Jyoti Bima Yojana stands as a testament to the government's commitment to inclusive development and social welfare, offering a lifeline to millions of Indians by providing them with an affordable and accessible life insurance solution. Through its simplicity, affordability, and widespread availability, PMJJBY plays a vital role in fostering financial resilience and security among individuals and their families, thereby contributing to the nation's socio-economic progress and well-being.

An insurance program called Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY) provides life insurance coverage for deaths caused by any cause. The cover is renewed annually and lasts for one year. Banks and post offices offer the program, which is run by life insurance firms. Anyone between the ages of 18 and 50 who has an account at a partnering bank or post office is eligible to participate.



Individuals who discontinue their participation in the plan at any time may re-enroll by paying the annual premium and providing proof of their continued good health. The plan's original enrolment period, which ran from May 1 to May 31, 2015, has since been extended. up to August 31, 2015, after which qualified individuals can join the plan without providing a self-certificate of good health, even though qualified individuals can join the plan at any time by paying the full year's fee. Candidates or heirs to the protected individual must get in touch with the different bank offices where the protected individual had a financial balance if a guarantee should materialize. It is expected that a basic case structure and a testament be submitted, and the case sum will be transferred to the selected individuals' records.

Objectives:

The research study was conducted with the following objectives:

- To study the awareness level among the respondents about the PMJJBY.
- To ascertain the benefits of the insurance scheme.
- To Study the challenges and barriers faced by individuals in accessing and benefiting from PMJJBY.
- To find out the agreement level of respondents about the PMJJBY scheme.

Statement of the problem:

The study intends to fulfil several important goals associated with the PMJJBY, or Pradhan Mantri Jeevan Jyoti Bima Yojana. The study aims to investigate the difficulties and impediments people encounter while trying to access and utilize PMJJBY. The study intends to offer useful recommendations for raising awareness of the PMJJBY program and aiding in the development of tactics that can expand the program's reach and efficacy. The Tamil Nadu state insurance scheme Kalingar Kapitu Thitam is insurance without deposit, and its coverage amount is Rs 5,00,000. But Pradhan Mantri Jeevan Jyoti Bima has a deposit yearly, and the premium amount in 2024 is \$436 with a coverage of \$2,000,000. To achieve these goals, the project

hopes to provide information that can help with communication plans and policy changes that will maximize PMJJBY's beneficial effects.

Research Gap:

The existing literature on the Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY) has primarily focused on its overall impact and effectiveness at a macro level, neglecting the nuanced challenges faced by participants at the local level. The research gap in this study is that the PMJJBY scheme's awareness and effectiveness are mostly seen in the studies. Most of them have selected research located in Delhi, Mumbai, and Gujarat for their study, with no one located in the Coimbatore district.

II. Review of Literature:

Tausif Mistry et.al (2021)¹ in the course of their research, A study on consumer behaviour, Awareness, and Perception in working professionals towards term life insurance. discovered the consumer behaviour of working professionals toward term insurance policies. The data are gathered from primary and secondary sources from working professionals. A structured questionnaire was used to collect information from small respondents from Pune city for this research. The Frequency analysis, Cross-tabulation, and Likert scale techniques are used to analyse statistical data. The study has the following aspects of key findings; Awareness Distribution, Ownership of Insurance, Sources of awareness, Term plan awareness, Preference of premium paying modes, Reason for not buying term life insurance, and Factors that would encourage the purchase of life insurance.

Research Methodology:

In the research methodology the research is mainly focused on the Coimbatore district with 237 respondents of PMJJBY holders, the sample method of study is the Convenient sampling method. the analysis part of the research, the Simple percentage analysis, Rank Analysis, Chi-Square, and One-Way ANOVA are used for research. In the conclusion.



Analysis and Interpretation:

Table 1: Simple percentage analysis of A Study on Problems faced by Pradhan Mantri Jeevan Jyoti Yima Yojana (PMJJBY) participants in Coimbatore district.

| Factors | No of respondents | % |
|---|-------------------|-------|
| Gender (Male) | 168 | 70.9% |
| Age Group (35-45 years) | 107 | 45.1% |
| Education (PG degree) | 91 | 38.4% |
| Location (Urban) | 153 | 64.6% |
| Family Type (Nuclear) | 157 | 63.3% |
| Duration in Scheme (2-3 years) | 85 | 35.9% |
| Reason for Scheme (Bank staff/manager) | 87 | 36.7% |
| Preferred Information Source (Govt website) | 73 | 30.8% |
| Registration Process (Average) | 82 | 34.6% |
| Satisfaction Level | 88 | 37.1% |

Interpretation:

From the above table, it is clear that 70.9% of the respondents are male. 64.6% of respondents are located in the urban area. Most (34.6%) respondents said the process of PMJJBY registration is Average and most (30.8%) respondents said that Govt website is the best to learn about the PMJJBY Scheme.

Table 2: Showing the Rank of the Benefits of the PMJJBY scheme and the Respondent's View

| Factors | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | Total | Rank |
|---|----|----|----|----|----|----|----|----|-------|------|
| The auto debit facility from a bank account | 20 | 37 | 42 | 15 | 36 | 42 | 10 | 35 | 1071 | 4 |
| Amount of death coverage | 20 | 32 | 62 | 44 | 31 | 26 | 14 | 8 | 1214 | 1 |
| Annual premium Rate | 24 | 30 | 48 | 55 | 18 | 30 | 15 | 17 | 1174 | 2 |
| Tax benefits | 37 | 26 | 33 | 40 | 26 | 15 | 32 | 28 | 1117 | 3 |
| Claim Settlement | 31 | 29 | 13 | 34 | 28 | 28 | 39 | 35 | 1008 | 7 |
| Only the Aadhar card was the primary KYC | 33 | 22 | 16 | 17 | 33 | 33 | 48 | 35 | 961 | 8 |
| Easily Re-join the scheme | 40 | 37 | 10 | 25 | 13 | 14 | 55 | 43 | 1011 | 6 |
| No intermediary | 30 | 34 | 14 | 11 | 47 | 45 | 20 | 36 | 1016 | 5 |

Interpretation:

The above table shows that the Auto debit facility from bank account ranked fourth by respondents, Amount of death coverage ranked first, Annual premium Rate ranked second, Tax benefits ranked third, Claim Settlement ranked seventh, Only Aadhar card was the primary KYC eighth, Easily Re-join the scheme sixth, no intermediary ranked fifth.



Table 3: To Show the Relationship between Gender and the Challenges of PMJJBY

| Factor | Calculated Value | Table value | Degree of Freedom | Remarks |
|--|------------------|-------------|-------------------|-------------------------|
| Financial constraint | 0.789 | 9.488 | 4 | Significant at 5% level |
| Lack of awareness about the scheme | .074 | 9.488 | 4 | Significant at 5% level |
| Difficulty in understanding the eligibility criteria | .716 | 9.488 | 4 | Significant at 5% level |
| Complicated enrolment forms | .016 | 9.488 | 4 | Significant at 5% level |
| Issues with the required documentation | .628 | 9.488 | 4 | Significant at 5% level |
| Unavailability of enrolment centres | .218 | 9.488 | 4 | Significant at 5% level |
| Technical glitches in the online enrolment process | .008 | 9.488 | 4 | Significant at 5% level |

Interpretation:

The above chi-square table shows that the factors are less than the table value of 9.488 and the null hypothesis is accepted. Hence, there is no significant relationship between gender and the challenges of PMJJBY of the respondents.

Table 4: Show the significant association between annual income and agreement level of the scheme -ANOVA

| FACTOR | | SUM OF SQUARES | DEGREE OF FREEDOM | MEAN SQUARE | F | SIG | S/NS |
|--|----------------|----------------|-------------------|-------------|-------|------|------|
| PMJJBY helps reduce the dependence on agents | Between Groups | 5.773 | 3 | 1.924 | 1.642 | .180 | S |
| | Within Groups | 273.012 | 233 | 1.172 | | | |
| | Total | 278.785 | 236 | | | | |
| Standard of living after death of earning member in the family | Between Groups | 1.185 | 3 | .395 | .424 | .736 | NS |
| | Within Groups | 217.178 | 233 | .932 | | | |
| | Total | 218.363 | 236 | | | | |



| | | | | | | | |
|--|----------------|---------|-----|-------|-------|------|----|
| Improving the social development of family | Between Groups | 1.517 | 3 | .506 | .523 | .667 | NS |
| | Within Groups | 225.074 | 233 | .966 | | | |
| | Total | 226.591 | 236 | | | | |
| PMJJBY helps provide awareness about life insurance to me. | Between Groups | 1.546 | 3 | .515 | .570 | .635 | NS |
| | Within Groups | 210.732 | 233 | .904 | | | |
| | Total | 212.278 | 236 | | | | |
| PMJJBY is an effective financial tool to solve the problem of financial exclusion for my family. | Between Groups | 1.937 | 3 | .646 | .635 | .593 | NS |
| | Within Groups | 236.830 | 233 | 1.016 | | | |
| | Total | 238.768 | 236 | | | | |
| Banking officials help provide information about the PMJJBY scheme. | Between Groups | 2.634 | 3 | .878 | .719 | .542 | NS |
| | Within Groups | 284.564 | 233 | 1.221 | | | |
| | Total | 287.198 | 236 | | | | |
| Joining the Process of Policy under PMJJBY is time-consuming. | Between Groups | 1.066 | 3 | .355 | .436 | .728 | NS |
| | Within Groups | 190.006 | 233 | .815 | | | |
| | Total | 191.072 | 236 | | | | |
| Low premiums with enough coverage serve my purpose of life insurance coverage | Between Groups | 11.652 | 3 | 3.884 | 3.340 | .020 | S |
| | Within Groups | 270.905 | 233 | 1.163 | | | |
| | Total | 282.557 | 236 | | | | |

Interpretation:

The above ANOVA table shows that PMJJBY helps in reducing the dependence on agents is a less than significance level of 5% hence the null hypothesis is accepted. low premiums with enough coverage serve my purpose of life insurance coverage is less than the significance level of 5% hence the null hypothesis is accepted.

The other factors of the ANOVA table show that it is greater than the significance level of 5% hence the null hypothesis is not accepted.

III. Suggestions:

- The government still needed to take a few actions to cover the state's female population under these plans. Every woman's



empowerment campaign that the government occasionally launches must involve eligible women. This will indirectly raise women's financial literacy.

- To promote and popularise these social security plans in the rural areas peoples should be awareness programs at the local level, such as gram panchayats, schools, and colleges.
- The government should invite more private banks and insurance businesses to participate in the PMJJBY initiative
- The government should settle the claim of the policyholders who benefited from the scheme.

IV. Conclusion:

The study analysed the problem faced by Pradhan Mantri Jyoti Bima Yojana Participants in Coimbatore District. In 2024 Coimbatore City have a 50,00,000-lakh population registered by the various government sites. At the time of study, the data showed that from 2022 to 2023 1,50,000 people registered for the PMJJBY scheme from various banks in the Coimbatore district. In this study majority of the gender is male participants is respondents for research. The most of respondents are from the urban area of the Coimbatore District. In the research most policy holders have responded to their problem have a financial constraint and understanding of the eligibility criteria. The study concluded that the majority of the state's population remains ineligible for social security programs. As a result, respondents were not engaged in the state's social and economic growth.

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