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## BIMA SUGAM

*This article covers "Daily Current Affairs" and the topic details "Bima Sugam". This topic has relevance in the "Economy" section of the UPSC CSE exam.*

### **For Prelims:**

*What is Bima Sugam?*

### **For Mains:**

*GS3: Indian Economy*

### **Why in the news?**

The Insurance Regulatory and Development Authority of India (IRDAI) recently organised a steering committee as the ultimate decision-making body for developing its ambitious Bima Sugam platform.

### **About Bima Sugam**

Bima Sugam is the Insurance Regulatory and Development Authority (IRDAI)'s groundbreaking proposition to establish **the world's first comprehensive online marketplace for insurance products and services.**

- This strategy is intended to **eliminate insurance selection and paperwork complexities**, representing a transformative moment for the insurance industry.
- The platform is devised to take customers' decision-making burden by **providing various insurance product options from different companies, including life, health, motor, and travel insurance.**
- It aims to be able to **streamline claim settlements and list policies paperlessly based on policy numbers.**

### **Operational Framework:**

- To lay the foundation for Bima Sugam, IRDAI has expanded the platform's **budget to Rs 200 crore** and **formed a committee**, with the next step being the appointment of a service provider responsible for creating and running Bima Sugam.
- The platform is anticipated to function in real-time, granting insurance companies access to validated data and serving as an interface for intermediaries and agents to sell policies and provide services.

### **Benefits for Customers:**

- Bima Sugam provides an **end-to-end solution for customers**, significantly **reducing paperwork and lowering commission costs.**

- It offers a single platform to **identify suitable insurance schemes and seamlessly manage various aspects** like purchase, service, and settlement.
- **Claim settlements and renewal will be conducted online.**



### Timeline:

- While initially planned to be functional by January 2023, the launch of Bima Sugam has been postponed to June 2024.
- When operational, life and general insurance companies will each own approximately 47.5% of the stakes, while brokers and agent bodies will own roughly 2.5% each.

### Additional Information:

#### Insurance Regulatory and Development Authority of India (IRDAI)

- IRDAI, established under the **Insurance Regulatory and Development Authority of India Act 1999**, is an autonomous and **statutory entity** responsible for overseeing and regulating India's insurance sector.
- Its primary objective is to **safeguard policyholders' interests, promote orderly growth, and regulate the insurance industry within the country.**
- The **Ministry of Finance** is its nodal ministry, and its headquarters are in Hyderabad.
- IRDAI carries out various functions, including:
  - Ensuring **fair regulation of the insurance industry** while upholding financial stability in compliance with relevant laws and regulations.
  - Periodically **formulating regulations** for the insurance sector.
  - **Registering and overseeing insurance companies**, safeguarding the interests of policyholders.
  - **Licensing and establishing norms for insurance intermediaries.**
  - Encouraging the **development of professional organisations** within the insurance sector.
  - **Regulating and supervising premium rates and terms** for non-life insurance policies.
  - Specifying **financial reporting norms** for insurance companies.
  - Regulating the investment of policyholders' funds by insurance companies.
  - Ensuring that insurance companies maintain the required solvency margin.
  - **Extending insurance coverage to rural areas and vulnerable segments of society.**

**Sources:** IRDAI plans committee to create Bima Sugam platform, to appoint project consultant

**Q1. With reference to Bima Sugam, consider the following statements:**

1. Bima Sugam is a platform developed by the Insurance Regulatory and Development Authority of India (IRDAI) to serve as an online marketplace for various insurance policies.
2. The Bima Sugam platform will offer an end-to-end solution for customers' insurance needs, including purchase, service, and settlement.
3. The development of the Bima Sugam platform is expected to be completed by June 2024.

**Which of the statements given above is/are NOT correct?**

- (a) 1 and 2 only
- (b) 2 and 3 only
- (c) 3 only
- (d) None

**Answer: (d)**

**Q2. Consider the following:**

1. The Insurance Regulatory and Development Authority of India is a body under the jurisdiction of the Ministry of Commerce.
2. Ensuring insurance coverage in rural areas and vulnerable sections of society is one of the objectives of IRDAI.
3. It is an autonomous and statutory body established under the IRDA Act 1999.

**How many of the abovementioned statements are correct?**

- (a) Only one
- (b) Only two
- (c) All three
- (d) None

**Answer: (b)**

**Q3. Discuss the role of the Insurance Regulatory and Development Authority of India (IRDAI) in developing and regulating the insurance sector in India.**

**Gaurav Nikumbh**

## **SHREYAS SCHEME**

*This article covers "Daily Current Affairs" and the Topic details "Shreyas Scheme". This Topic has relevance in the Social Justice section of the UPSC CSE exam.*

*GS 2: Social Justice*

**Why in the news:**

Over 2300 crore rupees has been allocated for the education of SC and OBC students since 2014

**About Shreyas Scheme** The Shreyas scheme, launched in 2014, comprises four central sector sub-schemes with the goal of providing educational empowerment to students from Scheduled Castes (SCs) and Other Backward Classes (OBCs).

### **Sub-Scheme 1: Costfree Coaching Scheme for SCs and OBCs**

#### **Objective:**

- Provide free coaching to economically disadvantaged SC and OBC candidates.
- Prepare them for competitive and entrance exams for government and private sector jobs.
- Help them get into prestigious technical and professional higher education institutions.

#### **Key Details:**

- Family income ceiling: Maximum annual income of 8 lakhs.
- Annual allocation: 3500 slots.
- SC: OBC student ratio: 70:30.
- 30% slots reserved for females.
- Flexibility to ensure at least 50% SC students.

#### **Impact:**

- Funding Allocation (2014-15 to 2022-23): 77 crore rupees.
- Beneficiaries: 19,995 students.

### **Sub-Scheme 2: Top-Class Education for SCs**

#### **Objective:**

- Promote quality education for SC students.
- Provide complete financial assistance for education beyond the 12th grade.
- Scholarships continue based on satisfactory performance.
- Includes prestigious institutions.

#### **Key Details:**

- Family income ceiling: Maximum annual income of 8 lakhs.
- Allocation (2021-22 to 2025-26): 21,500 scholarships.
- Financial support covers tuition fees, academic allowance, and living expenses.

#### **Impact:**

- Funding Allocation (2014-15 to 2022-23): 43 crore rupees.
- Beneficiaries: 21,988 students.

### **Sub-Scheme 3: National Overseas Scheme for SCs**

#### **Objective:**

- Provide financial assistance for master's and Ph.D. level courses abroad.
- Available to SCs, De-notified, Nomadic, Semi-Nomadic Tribes, and other eligible groups.
- Offers admission to foreign Institutes/Universities ranked within the top 500 by QS.
- Includes coverage for tuition fees, living expenses, visa fees, and air travel.

#### **Key Details:**

- Family income ceiling: Less than Rs. 8 lakhs per annum.
- Criteria: More than 60% marks in the qualifying examination, below 35 years of age.

**Impact:**

- Funding Allocation (2014-15 to 2022-23): 14 crore rupees.
- Beneficiaries: 950 students.

**Sub-Scheme 4: National Fellowship for SC Students****Objective:**

- Assist SC students in pursuing advanced education towards Phil/Ph.D. degrees.
- Applicable to fields of study in Sciences, Humanities, and Social Sciences.
- Dependent on eligibility through qualifying exams such as NET-JRF and UGC-CSIR Joint Test.
- Generous fellowship rates and no financial ceiling.

**Impact:**

- Funding Allocation (2014-15 to 2022-23): 89 crore rupees.
- Beneficiaries: 21,326 students.
- These schemes aim to provide educational opportunities and support to SC and OBC students, including coaching, scholarships, overseas education assistance, and fellowships for higher studies.

**Source:** <https://pib.gov.in/PressReleaseFramePage.aspx?PRID=1958644>

**Q.1 Consider the following:**

1. Scheduled Castes
2. Scheduled Tribes
3. Other Backward Castes
4. Economically weaker Sections

**How many of the above are the beneficiaries of the Shreyas Scheme?**

- (a) Only one  
(b) Only two  
(c) Only three  
(d) All four

**ANSWER: B**

**Q.2 “Discuss the objectives and impact of the SHREYAS scheme and its sub-schemes designed for the upliftment of Scheduled Castes (SCs) and Other Backward Classes (OBCs) in India. Analyze the effectiveness of these initiatives in promoting inclusive education and socio-economic empowerment among disadvantaged students.**

**Rishabh**