

**GOVERNMENT OF INDIA
MINISTRY OF RAILWAYS**

**LOK SABHA
UNSTARRED QUESTION NO. 1836
TO BE ANSWERED ON 13.02.2019**

ACCIDENTAL INSURANCE

1836. SHRI GUTHA SUKENDER REDDY:

Will the Minister of RAILWAYS be pleased to state:

- (a) whether the Railways has taken a decision to discontinue compulsory collection of one rupee towards accidental insurance from passengers;**
- (b) if so, the details thereof;**
- (c) whether it is also a fact that Ministry has roped in private players to collect this accidental insurance charges instead of collecting it by Railways; and**
- (d) if so, the details thereof and the reasons therefor?**

ANSWER

MINISTER OF STATE IN THE MINISTRY OF RAILWAYS

(SHRI RAJEN GOHAIN)

(a) and (b): No, Madam. An Optional Travel Insurance Scheme was launched by the Railways from 01.09.2016 at a premium of ₹ 0.92 per passenger per trip to all the Confirmed/RAC Railway passengers buying online e-ticket from IRCTC website, wherein the premium was paid by the passengers. Subsequently, to promote digital/cashless transaction on the direction of Ministry of Finance, the insurance was

Contd..2/-

provided free of cost from 10.12.2016 to 31.08.2018 wherein the premium was paid by IRCTC themselves.

Thereafter, on the direction of Ministry of Finance, the free of cost insurance was discontinued beyond 31.08.2018 and the Original Optional Travel Insurance was extended on pilot basis for one more year i.e. from 01.09.2018 to 31.08.2019 on the condition that the insurance premium will be paid by the passengers buying Confirmed/RAC online e-tickets. From 01.10.2018, the premium for the insurance scheme is ₹ 0.49/- (inclusive of all taxes) per passenger per trip.

(c) and (d): Selling insurance policies to general public is not one of Railways' core activities. The insurance product development and marketing is a specialized job which can be handled appropriately by insurance companies. Hence, the facility of insuring rail passengers is being provided by three insurance companies who were selected by IRCTC on the basis of a tender. The companies providing insurance presently are: (i) M/s Bharti Axa General Insurance Co. Ltd., (ii) Bajaj Allianz General Insurance Co. Ltd., & (iii) Shriram General Insurance Co. Ltd..
