

**GOVERNMENT OF INDIA
MINISTRY OF RAILWAYS**

**LOK SABHA
UNSTARRED QUESTION NO. 605
TO BE ANSWERED ON 05.02.2020**

ACCIDENT INSURANCE

†605. SHRI DEEPAK BAIJ:

Will the Minister of RAILWAYS be pleased to state:

- (a) whether it is true that Railways is planning to get the work done through participation of private sector;**
- (b) if so, the details thereof;**
- (c) the amount of fund received from the rail passengers so far in lieu of the accidental insurance under the online Rail Accident Insurance Scheme;**
- (d) the total fund provided to passengers so far in lieu of accidents;**
- (e) the fund received by the Railways out of this; and**
- (f) the benefit accrued by the insurance companies each year out of the insurance of passengers?**

ANSWER

**MINISTER OF RAILWAYS AND COMMERCE & INDUSTRY
(SHRI PIYUSH GOYAL)**

(a) and (b): Indian Railway Catering and Tourism Corporation(IRCTC), a wholly owned undertaking of Ministry of Railways, had initially entered into an agreement with three Insurance Companies namely:

(i) Shriram General Insurance Company Ltd.,

(ii) ICICI Lombard General Insurance Company Ltd., and

(iii) Royal Sundaram General Insurance Co. Ltd.

to provide an insurance cover of up to ₹10 lakh w.e.f 01.09.2016 on optional basis at the premium of ₹0.92 per passenger per trip for the Confirmed/RAC railway passengers who book online e-ticket through official website of IRCTC.

Subsequently, on the direction of Ministry of Finance to promote digital/cashless transaction, the insurance was provided free of cost from 10.12.2016 to 31.08.2018 wherein the premium was not collected from the passengers but was paid by IRCTC themselves to the Insurance companies.

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 optional basis wherein the insurance premium was to be paid by the passengers buying Confirmed/RAC online e-tickets from IRCTC website. From 01.10.2018, the premium for the insurance scheme is ₹0.49/- (inclusive of all taxes) per passenger per trip.

The optional Insurance scheme has been further extended from 01.09.2019 to 31.08.2020 and three Insurance companies namely M/s Bharti Axa General Insurance Co. Ltd, M/s Bajaj Allianz General Insurance Co. Ltd., and M/s Shriram General Insurance Co. Ltd., selected by IRCTC on tender basis, are providing the insurance facility to the passengers.

The Sum assured to be given to victim passenger/family or legal heir of the victim are as follows:-

- (i) In case of Death - ₹10 lakh,**
- (ii) Permanent Total Disability - ₹10 Lakh,**
- (iii) Permanent Partial Disability - up to ₹7.5 Lakh,**
- (iv) Hospitalization Expenses for Injury – ₹2 Lakh,**
- (v) Transportation of mortal remains – ₹10 Thousand.**

Under the scheme, sum assured is paid to the victim/family or legal heir of the victim as the case may be, in case of death/injury of reserved passengers due to train accident/untoward incidents as defined under Section 123 read with Sections 124 and 124-A of the Railways Act, 1989; subject to the qualification that the coverage will be valid from the actual departure of train from the originating station to actual arrival of train at the destination station including 'process of entraining' and 'process of detraining' the train.

(c): A total amount of ₹21.55 crores has been received by IRCTC on account of premium from Rail Passengers and paid to the Insurance companies between the period from 01.09.2016 to 31.12.2019.

(d): A total amount of ₹12.49 crores has been paid by the Insurance companies to the passengers in lieu of accidents.

(e): No amount has been received by the Railways as the premium is paid directly to the Insurance companies and there is no provision in the agreements to get any commission from the Insurance companies.

(f): There is no way for Railways to assess this and, therefore, Railways does not have such information.