

Travel insurance to cover, accident, theft, delays

M SARASWATHY

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Travel insurance proposed in the Railway Budget could provide a comprehensive cover from theft to accident.

"There is a continuous effort on our part to ensure safe travel, yet untoward incidents do occur. To minimise the financial loss to passengers from such events, we are working with insurance companies to offer optional travel insurance," Railway Minister Suresh Prabhu said today.

At present travel insurance covers accidental death, missed departures, loss of tickets, emergency medical evacuation, accommoda-

tion charges due to delays, apart from some additional options like loss of baggage. These are usually offered as a package when booking air tickets.

However, the penetration is less than 5 per cent in domestic air travel. The price for cover is less than ₹500 for domestic air travel and because it is optional and the majority of travellers uncheck the option when buying tickets online.

Sanjay Datta, chief, underwriting, claims and reinsurance, ICICI Lombard General Insurance, said train travel insurance could include



cover theft and personal accidents.

KG Krishnamoorthy Rao, managing director and chief executive officer, Future Generali India Insurance, said train travel insurance

would increase insurance penetration.

M Ravichandran, president, insurance, Tata AIG General Insurance, said personal accident was expected to be the big focus in the cover, though other elements like inconvenience caused to passengers could also be covered.

Delays and cancellations of trains are common in India. If these factors are taken into account, insur-

ers said travel insurance would become popular.

Suresh Sugathan, head of health and travel insurance at Bajaj Allianz General Insurance, said his company would take train travel insurance forward once it had details on what was expected from insurers.

Shreeraj Deshpande, head of health insurance at Future Generali India Insurance, added the ease of purchase of these policies would determine their popularity.

Though no premium or cover size has been revealed by the railway ministry, insurance industry sources expect it to be a standard cover of ₹2-3 lakh with a premium of less than ₹500. Even smaller covers for short-distance travellers could be made available.