
Personal Accident Policy Wordings

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The insurance provides compensation in the event of death or disability directly due to accident.

Highlights

This policy offers compensation in case of death or bodily injury to the insured person, directly and solely as a result of an accident, by external, visible and violent means.

The policy operates worldwide and is a 24 hours cover.

Different coverage's are available ranging from a restricted cover of Death only, to a comprehensive cover covering death, permanent disablements and temporary total disablements.

Family Package cover is available to Individuals under Personal Accident Policy whereby the proposer, spouse and dependent children can be covered under a single policy with a 10% discount in premium.

Group personal accident policies are also available for specified groups with a discount in premium depending upon the size of the group.

Scope

This policy is basically designed to offer some sort of compensation to the insured person who suffers bodily injury solely as a result of an accident which is external, violent and visible. Hence death or injury due to any illness or disease is not covered by the policy.

The following types of coverages are offered under a Personal Accident policy:-

Table D

1. Death cover wherein 100% of the capital sum insured is payable.

Table C

1. Coverage under Table D
2. Loss of two limbs / both eyes / one limb and one eye wherein 100% of the capital sum insured is payable.
3. Loss of one limb or one eye wherein 50% of the capital sum insured is payable.
4. Permanent Total Disablement other than above e.g. paralysis due to an accident, wherein 100% of the capital sum insured is payable.

Table B

1. Coverage under Table C
2. Permanent Partial Disablement i.e. where a part of the body becomes permanently disabled due to an accident, e.g. total and irrevocable loss of use of a finger due to an accident. In such cases, a percentage of the capital sum insured as specified in the policy is paid.

Table A

1. Coverage under Table B
2. Temporary Total Disablement i.e. where the insured person becomes temporarily disabled from undertaking any work as a result of an accident for e.g. fracture of legs. In such cases, a weekly payment of 1% of the capital sum insured subject to a maximum limit, is paid for the number of weeks or part thereof (maximum 100 weeks), during which the insured person is totally disabled.

The insured can claim only under any one of these sections as a result of any one accident.

The policy also covers expenses incurred for carriage of dead body from place of accident to the residence subject to a limit of 2% of the capital sum insured or Rs.2,500 whichever is less. Under an Individual Personal Accident policy or Family Package Policy, an education fund is payable for a maximum of 2 dependent school going children, in case of death or permanent total disablement of the insured person.

We issue several types of personal accident policies such as :-

- Individual Personal Accident policy.
- Group Personal Accident policy.
- Passenger Flight Coupon - Covering personal accident risk whilst traveling as a passenger on a scheduled flight.
- Gramin Personal Accident Policy - for persons residing in rural areas where benefits as per Table C mentioned above are covered for a capital sum insured of Rs.10,000/-.
- Janata Personal Accident policy - where benefits as per Table C mentioned above are covered for a maximum sum insured of Rs.1,00,000/-. Long Term Policies can also be issued upto 5yrs.
- Student Safety Insurance - for schools and colleges, covering students against Personal Accident benefits as per Table B mentioned above for a capital sum insured of Rs.10,000/-.
- Raj Rajeshwari Mahila Kalyan Yojna - for women in the age group of 10 to 75 years. where benefits as per Table C mentioned above are covered for a capital sum insured for Rs.25,000/-. In case of death of an unmarried woman due to an accident, Rs.25,000/- is payable to the nominee or legal heir. In case of a married woman, if the husband dies due to an accident, Rs.25,000/- is payable to the wife but if the wife or insured dies no compensation is payable.
- Bhagyashree Child Welfare Policy - for girl child in the age group of 0 to 18 years. whose parents age does not exceed 60yrs. In case of death of either or both parents due to an accident, a sum of Rs.25,000/- is deposited in the name of the girl child with a financial institution named in the policy which will disburse amounts as specified for the benefit of the girl child to the living parent or to the nominated guardian. Group policies can also be issued.

Add on covers

Individual and group personal accident policies can be extended to cover medical expenses incurred in the treatment of an accident covered under the policy, subject to a limit of 10% of the sum insured or 40% of the death / disability compensation claim payable, on payment of additional premium.

The policy issued to Indian personnel working in foreign countries on civilian duty can be extended to cover War risk on payment of additional premium.

The policy can also be restricted to cover Personal Accident risk during duty hours only or during off-duty hours only with discount in premium. It is also possible to issue group P.A. policy excluding the death benefit subject to a group life policy covering death benefit being taken for the same group of persons for the same policy period.

Who can take the policy

Any adult residing in India can take the policy covering himself / herself and dependent family members between the ages of 5 and 70yrs.

How to select the sum insured

It is very difficult to put a value to a human life. Hence the principle of indemnity cannot be applied in this policy. However it becomes necessary to apply some yardstick for fixing the sum insured so that human lives are not overvalued for ulterior motives.

Hence the capital sum insured is restricted to 72months income from gainful employment. This means that income from property, shares etc. will not be taken into account. For non working spouse, the sum insured is restricted to 50% of the sum insured of earning spouse subject to a maximum of Rs.1,00,000/- and for dependent children to 25% of the sum insured of earning parents subject to a maximum of Rs.50,000/-. In case of Gramin Personal Accident, Student Safety, Raj Rajeshwari, Bhagyashree policies the sum insured is fixed.

In Individual Personal Accident policy, facility of cumulative bonus is given whereby the capital sum insured is increased by 5% every year on claim free renewals subject to a maximum of 50%. This cumulative bonus is available only under tables A,B & C.

How to claim

In the event of an accident giving rise to a claim the following steps should be taken:-

In case of death claim :-

1. Assignee under the policy should immediately notify the policy issuing office.
2. Submit the claim form along with death certificate, post mortem report, police report and original policy.

In case of injury claim :-

1. Notify the policy issuing office immediately.
2. Submit Police report if any.
3. Submit claim form along with medical certificate certifying the disablement.
4. In case medical expenses extension has been taken, then the prescription alongwith bills are to be submitted.