

Finance Fundamentals

Author Profile



Abhishek leads the Corporate business line for SecureNow Insurance Broker, focused on advising corporates to structure and procure Employee Benefits, Property and Liability Insurance solutions. He is a Chartered Accountant, Chartered Financial Analyst and graduate from Shri Ram College of Commerce. He has 7 years of business advisory experience focused on Insurance in US and India. His last position was that with McKinsey & Company.

Abhishek Bondia
Business Head - Corporate
SecureNow Insurance Broker
3rd Floor, 29A Hauz Khas Village
New Delhi 110016
+919958499711 (mobile), +911164560999 (office)

Overview of Group Personal Accident

The Group Personal Accident policy enables a company to pay a lump-sum amount to its employees in case he/she meets an accident. The policy covers both work and non-work related accidents. So a road accident, or accidental fall in the house/office or machine related injury, all hold equal significance in the policy.

Who should buy?

- All companies for their white collar as well as blue collar staff
- Educational Institutions to cover earning parents of students
- Hospitals to cover both medical and non-medical staff

What are the different covers available?

An accident can lead to various consequences, all of which can be covered under the policy. These are:

- Death
- Loss of Limbs / Eyes
- Damage to other body parts
- Temporary bed-riddance
- Hospitalization

What is the indicative price?

The premium per person is determined based on the type of cover chosen and industry of the Employer. Additionally, large group sizes attract a discount. Below are two examples:

- A 50-member consulting firm will pay approximately Rs. 400 per person for a Rs. 10 lakh cover for accidental death only.
- A 50-member garment-manufacturing firm wants that in addition to Death, and Permanent Disability, it should be able to pay Weekly allowance (Rs. 5000) to its labor in case of temporary bed-riddance (say due to fracture). Then the premium would amount to Rs. 2000 per person for a Rs. 10 lakh cover.
- A school can purchase Group Personal Accident to provide cover on accidental death, and accidental disability of Rs. 5 lakh at a cost of Rs. 750 per student. In the case of accidental death of either the student or the earning parent, the policy entitles them to a sum assured of Rs 5 lakh. Similarly there would be specified sum assured for disability (depending on the level).

How much cover to take and how to get a quote?

General thumb rule is to take cover of 3 times of the annual compensation of the staff.

SecureNow Insurance Broker can help get a comparison of benefits and rates of three Insurance companies. SecureNow would further help you negotiate the best purchase, provide round-the-year policy servicing and support for claim settlement.

Links to Bondia's articles in previous issues:

http://www.fisme.org.in/newsletters/August_1_2012/docs/addressing_the_Issue_Abhishek.pdf

http://www.fisme.org.in/newsletters/July_15_2012/docs/addressing_the_Issue_Abhishek.pdf

http://www.fisme.org.in/newsletters/July_1_2012/docs/addressing_the_Issue_Abhishek.pdf

http://www.fisme.org.in/newsletters/June_15_2012/docs/addressing_the_Issue_Abhishek.pdf

http://www.fisme.org.in/newsletters/June_1_2012/docs/addressing_the_Issue_Abhishek.pdf

http://www.fisme.org.in/newsletters/May17_2012/docs/addressing_the_Issue_Abhishek.pdf

http://www.fisme.org.in/newsletters/May1_2012/docs/addressing_the_Issue_Abhishek.pdf

http://www.fisme.org.in/newsletters/April1_2012/docs/finance_fundamentals_abhishek.pdf

http://www.fisme.org.in/newsletters/March15_2012/docs/addressing_the_Issue_Abhishek.pdf