

Pilots seek insurance cover for 'loss of licence'

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For the first time in the history of civil aviation, pilots belonging to various airlines have individually approached insurance agencies to get an insurance cover of Rs 1 crore against loss of licence (LoL). Loss of flying licence is a period when a pilot is either grounded for either health or technical reasons and is not entitled to any pay by the company during the time he is grounded. This step comes at a time when major airlines either want to deduct salaries of pilots or issue pink slips to them. This insurance cover will be over and above the Rs 60 lakh cover, which each airline provides to their pilots.

Says Aatur Thakkar, director, Alliance Insurance Broker Pvt Ltd,

"We are negotiating with Reliance General Insurance for an individual insurance cover on LoL for over 800 pilots from Air India and Indian Airlines. We have already insured 200 pilots from private carrier Jet Airways with IFFCO-Tokyo General Insurance Co Ltd and are in talks with pilots from Kingfisher Airlines, low cost carriers SpiceJet and Indigo and JetLite as well."

Explaining how the insurance cover gives maximum benefits to pilots, Deepak Suvarna, business development manager at Alliance Insurance Brokers Pvt Ltd says, "If a pilot permanently loses his licence to fly, he is entitled to 100% of the capital sum insured. Second, if a pilot temporarily loses his licence to fly, he can claim 2% of the capital amount insured, after a cooling (waiting) period of 45 days instead

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- ▶ Pilots approach insurance agencies for Rs 1 crore insurance cover
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- ▶ Negotiations with Reliance General Insurance for 800 pilots from Air India, Indian Airlines underway
- ▶ 200 Jet pilots insured with IFFCO-Tokyo General Insurance



of 60 days as their earlier policies stated." He added that in case of temporary grounding, the benefit is extended for a maximum period of 24 months after expiry of 45 waiting period or upto the date when pi-

lots licence is re-instated, whichever is earlier.

Also, the premium is 25-30% lower at approximately Rs 36,000 annually compared to Rs 50,000-60,000 paid by the pilots earlier.

Says a pilot from Jet Airways, "Airlines are cutting down on their unprofitable routes and pilots have less hours of flying. Second, loss of flying licence has a significant impact on our incomes and career prospects. With our lifestyle expenses being on the higher side our overall savings are sometimes lower. In case of any grounding, our income can often reduce to zero with sizeable impact on our finances. Such an insurance cover is the need of the hour for pilots."

He further adds that as an aviator, one is probably more vulnerable than most other professions regarding the loss of career and earning potential due to illness. "Internationally also, pilots are insured against a higher sum compared to their counterparts in India," he said.