
Jaipur IOC depot fire loss estimated at INR 300 crores

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Indian Oil Corporation has a long way ahead to recover its insurance claims for the Jaipur Depot fire. It is also faced with claims from third parties who have been impacted by the fire.

IOC will have to wait at least a couple of more months before the insurance claim can be settled by the insurance companies. The total damage has been pegged at close to INR 300 crore of which damaged fuel is worth INR 160 crore. IOC has a product insurance of INR 230 crore. The company has a corpus, also known as the insurance reserve that it will use to fund the claims. Although IOC is not directly liable to these claims, a lot of third party claims have been coming in and the consortium of insurers will have to respond to them.

IOC has the public liability insurance cover of INR 50 crore which is obligatory for all companies. It has an umbrella of public liability insurance, which is a pool of all four oil public sectors undertaking worth INR 100 crore with a capital of INR 50 crore per accident.

Hence, this will help IOC respond to third party claims and in order to respond to these claims it has already made a goodwill payment of INR 50 crore to the Rajasthan government.

(Sourced from CNC TV 18)

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