



Explosions and Fire at Oil Storage Depot, Jaipur, India

Date of Event: 29th October 2009



Summary

A massive fire broke out on 29 October at an oil storage depot in the western Indian state of Rajasthan, killing at least 11 people and injuring 135 others. Two huge explosions were heard before the fire ignited and rapidly spread. Reports said the blaze ignited most of the depot, including every oil storage unit. The fire broke out



around 19:30 local time at the Jaipur storage depot run by Indian Oil Corporation (IOC) and was visible from over 25 kilometers (16 miles) away, according to reports. Company officials said the depot covers an area of several square kilometers and the oil tanks store gasoline, diesel and kerosene fuel for several state-owned oil companies. Reports said the depot has a 100,000 kilolitre capacity.

An IOC official said initial estimates indicate that products valued at 1.5 billion rupees (USD32 million) have been burnt, and the petroleum stocks were insured. According to local reports, Indian Oil also has property insurance cover worth 2.3 billion rupees (USD49 million). *The Economic Times* said the lead insurer for IOC is ICICI Lombard with 50% of the share, followed by Oriental Insurance, which accounts for around 25%. The publication added that IFFCO Tokio and state-owned National Insurance covers the remaining 25% while the national reinsurer, General Insurance Corporation, has reinsured close to 35% of the cover.

According to the Sitapura Industrial Association, at least 500 small and large adjoining factories were damaged by the fire, with losses ranging from 500,000 rupees (USD 10,000) to 700,000 rupees (USD 15,000). Evacuated residents have also reported damage to their houses as they returned home, according to reports.

Although the cause of the incident has yet to be determined, IOC officials said the explosions and fire may have been triggered by a leak in a gasoline pipeline.

We have not heard officially from any of the Indian Insurance Companies so far advising their involvement in this loss.

Sources: *Various Reports*