

BRIEF ON INSURANCE POLICY COVERAGE FOR LPG ACCIDENTS

1. Comprehensive Insurance Policy to cover losses arising out of accidents caused due to LPG cylinders is taken every year on Industry basis. This policy provides personnel accident cover to third parties, which includes medical expenses and property damage. The policy provides for claims on account of no-fault liability and also legal liability to LPG customers of Oil Companies. This policy is in addition to the comprehensive Insurance policy taken by LPG distributors.
2. As per Industry practice, the co-ordination for taking Comprehensive Insurance Policy for LPG on Oil Industry basis is entrusted to one Oil Company on yearly rotational basis including making the total payment of premium to the Insurance Company. The premium amount is thereafter shared in the ratio 50:25:25 by IOC: BPC:HPC respectively. A nominal amount is recovered by the Oil Cos from all distributors & packed LPG transporters as their contribution to the coverage. Existing PLI Policy is with M/s ICICI Lombard and valid from 01.04.20 to 31.03.21 which was finalized by BPCL.

3. TERRITORIAL LIMITS: ANYWHERE IN INDIA.

4. DETAILS OF INSURANCE:

Liability at Law for compensation and claimants' cost and expenses in respect of any accident resulting in death or bodily injury to any person or damage to property in connection with Trade/Business of insured, such accident occurring at :

- (a) Customers Registered Premises
- (b) Registered dealers Premises
- (c) During Transit when such LPG Cylinder are in the hand of Registered Transport Contractor whilst carrying such LPG Cylinder from Oil Co. to Distributors' Premises.
- (d) Whilst LPG Cylinder in Transit, carried by dealer's employees to customer premises or by customer under cash or carry system.
- (e) Whilst arising out of the use of LPG supplied by the insured in reticulated systems, community kitchen, other application like geysers, lighting, generator sets, irrigation pumps etc.
- (f) Whilst the cylinder is being connected to the LPG installation and whilst being disconnected from the LPG installation

4.1 Limits of liability:

Per Event : Rs. 75 Lakhs
Per year : Rs.100 crores

4.2 Personal Accident cover to third parties and customers and property damage at authorized customers' registered premises (irrespective of liability of Law)

- (a) Personal Accident : Rs.6,00,000 per person in case of death
- (b) Medical expenses: Rs 30,00,000/- per event (Max Rs.2,00,000 per person, immediate relief up-to Rs. 25,000/- per person)
- (c) Property damage: Max. Rs.200,000/- per event at authorized customers' registered premises.
- (d) Per year : Rs. 20 crore.

5. Immediate Relief

Immediately on occurrence of an accident requiring hospitalization of victim (s), insurance will authorize an immediate relief of up to Rs.25,000/- on confirmation of liability and production of "immediate relief certificate" by the authorized representative of Insured. The amount so paid will be subject to adjustment in the final settlement of claim.

Whenever an accident takes place, the local office of the Insurance company is to be notified by the concerned Area Office.

The Insurance Co. appoints their Surveyor to assess the loss. They also seek copies of accident report / FIR and other reports such as Hospitalization records etc. for processing the claim.

Claims are settled based upon the merit of each case. The claim amount is remitted to the concerned Oil Company who in turn remits it to the claimant / beneficiary.