



FINAL SURVEY REPORT

Surveyor Ref:		Insurers' Ref:
No: 14868/ICICI/19-20		Insured Name: M/s. Dev Sweets
Report Date	November 27, 2019	Policy No: 1001/174049572/00/000
		Claim No.: FIR002134204

**STRICTLY CONFIDENTIAL & PRIVILEGED FOR THE USE OF
INSURERS AND THEIR LEGAL ADVISORS ONLY**

*Survey report regarding claim preferred by M/s. Dev Sweets for loss/damage to
their property insured under Standard Fire & Special Perils Policy*

1.0 INTRODUCTION

1.1 M/s. Dev Sweets, Sangali preferred claim on ICICI General Insurance Co. Ltd., for loss/damage to property due to flood & inundation. The property was insured under Standard Fire & Special Perils Policy.

1.2 The Insurers appointed us on 15th August 2019 to conduct the survey for the reported loss/damage.

1.3 Our basic terms of reference were...

- a) To investigate into circumstances leading to reported loss/damage.

- b) To assess the physical damage/financial loss said to have been sustained by the insured in the reported accident.
- c) To determine the liability of the insurers vis-à-vis policy conditions.

1.4 Pursuant to above instructions, we visited the insured's premises situated at Vishal V Mohnani, A/P. Sundar Colony, Shamrao, Nagar, Sangli. The premises were inspected thoroughly. It was reported there was inundation at their premises. The water level was around 9 feet at the surrounding area. The water had already receded during our visit, however, the water level marks were clearly visible on and around the premises. Inside the premises the water level was observed about 9 feet. On receipt of minimum available documents, we are issuing the final report.

1.5 Based on

- a) Observations made by us during our inspection
- b) Documents submitted by the insured during our survey & subsequently thereafter
- c) Discussions held with and explanations offered by the insured

1.6 We submit our findings observations, recommendations as under, for the consideration of the Insurers...

2.0 POLICY PARTICULARS

2.1 Insured : **Dev Sweets**

Vishal V Mohnani

A/P. Sundar Colony, Plot No 495/2a,
Shamrao Nagar, Sangli-416416

- 2.2 Insurers : ICICI Lombard General Insurance Co.
Ltd.,
206-219 Sohrab Hall,
Opp to Pune Railway Station,
Pune 411001
- 2.3 Type of Policy : Standard Fire & Special Perils Policy
- 2.4 Policy No. : 1001/174049572/00/000
- 2.5 Period of Insurance : June 26, 2019 To June 25, 2020
- 2.6 Occupancy : Manufacturing of confectionary items
such as Kurkure, Namkeen etc
- 2.7 Total Sum Insured : Rs. 33,00,000.00
- 2.8 Sum Insured components : Electric fittings & installation
Plant, Machinery and Accessories
Stock-Raw and Finished goods
- 2.9 Item Affected : Stock, Machinery, Electrical fittings
- 3.10 Clauses : FC01-Agred bank clause
FC03: Designation of Property Clause
FC04: Reinstatement value Policies
FC05: Local Authorities clause
FC14: Earthquake (Fire and Shock)
- 3.11 Risk Location : Vishal V Mohnani
A/P. Sundar Colony, Plot No 495/2a,
Shamrao Nagar,
Sangli, Maharashtra- Pin416416
- 3.12 Policy Excess : 5% of claim amount subject to a minimum
of INR 10000/-

3.0 INCIDENT

3.1 It was well known that Bhiwandi, Kolhapur, Sangli, Satara, Karad and adjoining cities in Western Maharashtra were flooded due to incessant torrential monsoon rains from 4th August 2019 onwards. Insured's godown was also flooded in the incident. It was informed that the water level reached around 5-9 ft height at and around the premises due to flooding/inundation. Building /Stocks were submerged into the muddy/contaminated water for 4-5 days. The stagnated flood water receded on 13th August 2019.

4.0 CAUSE OF DAMAGE

4.1 Heavy rains poured in Maharashtra (Bhivandi, Kalyan, Badlapur, Kolhapur, Sangli, Karad, Belgam, Ichalkarancji, Satara, Hatkarangale, Meeraj etc), Karnataka, Kerala & other many states from 26th July 2019 to 12th August 2019. Due to this flood situation occurred at many places. The incidence is well reported in TV and print media all over the countries. Due to this, water logged at insured's named location.

4.2 Thus, based on our observations and information provided to us, the cause of loss could reasonably have attributed to **flood**.

5.0 OUR OBSERVATIONS & EXTENT OF DAMAGES

5.1 The insured is dealing in manufacturing of confectionary items such as Kurkure, Namkeen etc. We have inspected the insured's

premises thoroughly on 15th August 2019. It was reported that there was inundation at their premises. The water level was around 9 ft at the inside & at outside premises. During our inspection the water had already receded from the building and outside the premises. The entire premises was flooded completely. The mud marks and water marks were observed on stock, various machineries, and electrical fittings. The damages can be briefly elaborated as under:

- 5.2
- **Building:** The building wall painting was affected due to muddy water. The flooring was also got affected.
 - **Stock:** All the stock was submerged under water. The water level was clearly visible inside the premises. The stock consisted of packing roll, finished packs of Kurkure & namkins etc were found wet & observed with the muddy water. Being food item, the damaged stock was not fit for sale and would not realize any value other than scrap value. During inspection the final quantity of loss was ascertained & assessed the loss accordingly.
 - **Machineries:** Various machinery such as packing machine, DC Motor Rewinding, VFD Panel, Motor Panel, FFS Machine, Various spare parts of machine, compressor etc were found affected.
 - **Electric fittings:** HP Star- Delta Starter (Make: L& T) , Empty Pnel box, 4 way MCB box. 370mm Cable TAI, earthing kit was damaged due to reported flood.
- 5.3 Insured was advised to clean the premises and segregate the damaged items and prepare the list of final damaged quantity for our final verification. Further quantification of damaged items

was done jointly. Final quantity of loss was ascertained & assessed the loss accordingly.

- 5.4 As per the policy, Machinery, Electric fittings and stock are covered. Thus, liability if any, is limited to the same only.

6.0 INSURED'S CLAIM VIS-À-VIS ADMISSIBILITY

- 6.1 The insured had lodged their claim for **Rs.3660290.00** for damages to machinery, electric fittings and stock. The detailed claim statement is attached to the report.

- 6.2 The claim is lodged under Standard Fire & Special Perils Policy. The operated peril – flood-inundation – is covered under the policy. The policy was effective as on date of loss & location is covered under the policy. Thus, the claim lodged by the insured falls within the purview of the policy issued to and held by the insured.

7.0 ASSESSMENT OF LOSS

- 7.1 Our assessment of loss is based on our inspection & documents submitted by the Insured. The supporting documents are enclosed with the report.

- 7.2 Following points are crucial from the assessment of loss point of view:

► Machinery

The insured have provided supporting quotations through various repairers such as Sun Electro Tech, Roshni Electricals,

Paras electrical for damaged machineries. Final bills were not provided to us. Hence 20% deduction were made for rate & quantity variance. The exact age details of machineries were not available and hence the **depreciation of 50% is applied.**

► **Electrical**

The insured have claimed Rs. 35919.00 towards the Electric fittings and have provided supporting tax invoice through Siddheshwar Electricals (# 301 dated 02.09.2019) for the same. Assessment is done on the basis of the same. The exact age details were not available and hence 50% depreciation is applied. Damaged electrical items are not fit for the use or sale. According notional scrap value- Rs. 220 were deducted towards salvage value.

► **Stock**

- 7.8 As per balance sheet, the total value of stock as on date of loss was **Rs.1126395.00**. As per our visual inspection, value of safe stock (not lying in the premises) as on date of loss was **Rs. 475000.00**. From this, value of damaged stock is erected as **Rs. 651395.00**. The adequacy of Sum-Insured also checked based on previous year's stock trend as per available Balance sheets & stock as on date of loss, which is found adequate, hence no under-Insurance applied. Being food item, it would not realize any salvage value hence no deduction was made in lieu of salvage.

► **Excess**

- 7.11 The applicable excess 5% of the claim amount sub to min of Rs. 10000/- is deducted.

7.12 The assessment of loss works out to **Rs. 890525.00**. The detailed assessment is attached as **Annexures** to the report.

8.0 WARRANTIES

8.1 We have not observed any breach of general or specific warranties attached to the policy issued to & held by the Insured.

9.0 CONCLUSIONS

9.1 The cause of loss is flood/inundation, the peril that is covered under the scope of policy issued to & held by the Insured. Thus, the claim falls within the purview of the policy & is tenable.

10.0 This report is issued without prejudice & subject to the terms, conditions and warranties to the policy issued to & held by the insured.

11.0 DECLARATION

- *We hereby declare that the photographs of the affected property as detailed in our report were snapped by us by our Digital Camera and uploaded on our Office Computer. These were got printed in-house and are not manipulated.*

- *We hereby declare that we have no interest in the subject matter in question and reported as above. We are neither related to the Insured nor the business either by blood, business or share-holding of whatsoever nature.*



K R BIYANI

KAMAL BIYANI ASSOCIATES

License No. SLA 34365 valid till 27.11.2019

Encl:

- *Assessment as annexure*
- *Balance sheet.*
- *Quotation and invoice provided by Insured.*
- *Photographs*
- *Our Fee Bill*