



FINAL SURVEY REPORT

<u>Surveyor Ref:</u>		<u>Insurers' Ref:</u>	
No: 14794/ICICI/19-20		Insured Name: M/s. Exide Industries Ltd	
Report Date	February 11, 2020	Policy No: 1001/147705088/01/000	
		Claim No: FIR002086195	

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

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

1.0 INTRODUCTION

- 1.1 M/s. Exide Industries Ltd., Mumbai preferred claim on ICICI General Insurance Co. Ltd., Kolkata 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 **7th 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 We visited the insured's premises situated at M/s. Taloja T 17, MIDC Taloja Industrial Area Raigarh, Maharashtra, India on **7th August 2019**. The premises were inspected thoroughly. It was informed that, there was flooding due to which the insured's premises were affected. The premises as well as the surrounding area was thoroughly inspected and photographed. The list of documents required to finalize the report was conveyed during our visit itself and also subsequently vide our mails. 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 | : | M/s. Exide Industries Ltd.
Exide House 59E, Chowringhee Road,
Kolkata – 700020 |
| 2.2 | Insurers | : | ICICI Lombard General Insurance Co.
Kolkata. |
| 2.3 | Type of Policy | : | Standard Fire & Special Perils Policy |
| 2.4 | Policy No. | : | 1001/147705088/01/000 |
| 2.5 | Period of Insurance | : | April 02, 2019 To: Midnight of April 01,
2020 |
| 2.6 | Occupancy | : | Battery manufacturing |
| 2.7 | Risk Location | : | Taloja T 17, MIDC Taloja Industrial Area
Raigarh, Maharashtra 410208. |

2.7	Sum Insured component	:	Building	Rs. 563,564,960.00
			FFF	Rs. 50,580,764.00
			P& M	Rs. 2,449,088,321.00
			Stock in process	Rs. 759,194,625.00
			Stock	Rs. 31,165,142.00
2.8	Total sum Insured	:	Rs. 3,853,593,812.00	
2.9	Item Affected	:	Building (Without Plinth and foundation	
2.10	Policy Excess	:	5% of claim amount subject to a minimum of INR 5 Lacs.	

3.0 INCIDENT

3.1 It is a matter of common knowledge that Kokan, Kolhapur, Sangli, Satara and adjoining cities in Western Maharashtra were flooded due to incessant torrential monsoon rains from 26th July onwards. The new was covered by various news channels and print media across the nation. Insured's premises were also flooded. Incident narration provided by Insured is as follows:

Quote

This to inform you that on 04.08.2019 at around 08.00 hrs, rear side of boundary wall between ETP gate to New E – Bike plant was collapsed due heavy rain and water pressure. The collapsed boundary wall is approximate 70 metres and around 10 metre of boundary walls on both the sides are also damage & tilted due to bottom soil erode. Considering collapsed damage wall total affected wall is around 90 metres long with 10 feet height approximately.

Apart from the boundary wall the newly erected Electrical Power Fence is also severely damaged due to boundary wall collapse & tilted.

Since last two days entire Raigad district is seriously affected due to heavy to heaviest rain especially in Taloja area and because of that the

canal flowing between M/s. FG Glass and M/s. Exide Industries was over flowing and water entered inside the boundary wall, Consequently the base of boundary wall got washed away and hence the entire portion of boundary wall collapsed.

It has been observed that because of heaviest rain falls about 310 mm, the entire Taloja MIDC Panvel area was under flood.

Unquote:

The incidence report provided by the Insured has been reproduced verbatim without any corrections, if any required to be made, with regard to spellings and/or grammar

4.0 CAUSE OF DAMAGE

- 4.1 Heavy rains poured in Maharashtra (Bhiwandi, Kolhapur, Sangli, Karad, Ichalkarancji, Pune, Raigad etc) 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.
- 4.2 A nallah/canal flows adjoining between the insured's plot and neighboring company, F.G. Glass. Insured had built a compound wall abutting the plot and nallah. Due to heavy rains, the nallah got flooded. The overflowing water washed out the wall leading to its fall. The pressure of accumulated water inside the plot (due to heavy rains) also contributed to the fall.
- 4.3 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

► About Insured

- 5.1 Insured- 'Exide Industries Ltd' is a leading manufacturer of automotive and industrial batteries since 1976. Various types of batteries ranging from 2.5 AH to 20,600 AH are being manufactured in different locations in India for telecom, auto power sector. Insured supplies their products domestically as well as in south east Asia and European country.

Description of The Risk

- 5.2 The risk covered is a battery manufacturing plant and is situated at Taloja T 17, MIDC Taloja Industrial Area, Raigarh, Maharashtra in 12 acrs of land. Premises consists of various shed structures along with administrative office building. The surrounding area is fenced and guarded with stone masonry and brick masonry walls with fabricated grill structure.

► Observations and Extent of damages

- 5.3 We carried out the survey on **8th August 2019**. At the time of our survey, the water had already receded from the premises. The premises were thoroughly inspected and photographed.
- 5.4 During our survey, we have inspected the damaged wall on south boundary near nallah section. The boundary wall was made up of stone masonry. Due to high pressure of water, aprx 85 meters of uncoursed rubble masonry boundary wall was found collapsed. The height of boundary wall was about 12 ft in height from the ground level. Surrounding area was found affected, trees were uprooted and collapsed on the power fencing system. Power cables were found damaged. Vertical angles with cable bracket were found broken. This

power fencing system was reportedly installed recently in the month of June 2019. We have advised Insured to provide us the estimate of repair for the damaged items. Further Insured have repaired the boundary wall and have provided the repair invoice.

- 5.5 Thus, the liability, if any, is limited to the damages to boundary wall at south only. Detailed extent of damage was elaborated in assessment part of report.

6.0 INSURED'S CLAIM VIS-À-VIS ADMISSIBILITY

- 6.1 The insured had lodged their claim for **Rs. 17,79,651.22** for damages to building compound wall.
- 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. Following points are crucial from the assessment of loss point of view. ..
- ▶ The insured had shared invoice No. 925 dated dtd 28.11.2019 of Swapno Engineering Works towards repairing of the damaged wall. We have assessed the loss based on invoice and our observations.

► **Depreciation**

Policy is on RIV basis. Reinstatement is already done. Hence depreciation is not applied. Please refer assessment sheet for detailed working.

► **Salvage**

The damaged items were not fit for the intended use. We have deducted lump sum **Rs.1000.00** towards salvage.

► **Underinsurance**

The RIV value for building (including boundary wall) is arrived at Rs. **1,390,138,136.20** by applying RBI Index. The sum insured availed for the building is Rs. **563,564,960.00** and thus the building was underinsured to an extent of **59.46 %** and same is applied. Hence amount of **Rs. 818,320.22** is deducted on account of underinsurance.

► **Excess**

The applicable excess as per Policy is 5% of the claim amount sub to min of Rs. 5 lac. Accordingly, Rs. 5 lac is deducted.

8.0 The assessment of loss works out to **Rs. 63517.00**. The detailed assessment is attached as **Annexures** to the report.

The assessment has been explained to the Insured, who have given their written consent for the same wide their mail dated **6th February 2020**.

9.0 **WARRANTIES**

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

10.0 CONCLUSIONS

10.1 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.

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

12.0 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 27.11.2022

Encl:

- *Assessment as annexure*
- *Consent mail*
- *Photographs*
- *Our Fee Bill*

- *Incident narration*
- *Local newspaper*
- *Factory license*
- *Estimate of repairs.*
- *Fire NOC*
- *Layout plan*
- *Measurement sheet*
- *Invoice copy for the repair.*