IAR Group

IAR Insurance Surveyors &
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(Issued Without Prejudice)
(SLA – 72501 valid up to 17.02.2022)

Ref. No. IAR-1807-19897 **August 08, 2019**

FIRE SURVEY REPORT

THE INSURED	:	Jagadamba Auto Components Ltd., Gat no. – 551/552, 557 558 559 Koregaon Bhima Off Pune Nagar Highway, Tal-Shirir, Dist. Pune, Maharashtra - 412216
THE INSURERS	:	ICICI Lombard General Insurance Co. Ltd., Pune, Maharashtra
DATE OF LOSS	:	On 23.07.2018
THE INCIDENT	:	Claim for loss due to sudden onset of Fire
STANDARD FIRE SPECIAL PERILS INSURANCE POLICY NO.	:	1001/147931639/00/000
CLAIM NO.	:	FIR000436842

1.00 INSTRUCTIONS

In accordance with instructions received from ICICI Lombard General Insurance Co. Ltd., Pune, Maharashtra on 23.07.2018, we visited the Insured's premises situated at Gat No. -551/552, 557 558 559, Koregaon Bhima Off Pune Nagar Highway, Tal-Shirir, Dist-Pune, Maharashtra, on 24.07.2018 to survey and assess the above loss. During our visit, we met Insured, inspected the damage caused, discussed the loss and collected relevant information/documents that were readily available.

1.02 Based on the documents received, discussions held and verification carried out, we now report as under.

2.00 POLICY PARTICULARS

Type of Policy	:	Standard Fire Special Perils Insurance Policy
Policy No.	:	1001/147931639/00/000
Policy Period	:	From 01.04.2018 to 31.03.2019
The Insured	:	Jagadamba Auto Components Ltd., Gat no. – 551/552, 557 558 559 Koregaon Bhima Off Pune Nagar Highway, Tal-Shirir, Dist. Pune, Maharashtra – 412216
The Insurer	:	ICICI Lombard General Insurance Co. Ltd., Pune, Maharashtra

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Risk Location Address	:	Gat no. – 551/552, 557 558 559 Koregaon Bhima Off Pune Nagar Highway, Tal-Shirir, Dist. Pune, Maharashtra – 412216
Excess	:	5.0% of claim amount subject to minimum of 25,000/- non AOG Perils

Sum Insured

Sr. No.	Risk Covered	Sum Insured (INR.)
1.	Building (With Plinth and Foundation)	15,333,338/-
2.	Computer, Printers & Accessories	13,210,472/-
3.	Electrical Fittings & Installations	9,217,754/-
4.	Furniture, Fixture & Fittings	7,014,220/-
5.	Plant, machinery And Accessories	503,614,891/-
	Total Sum Insured	**548,390,675/-**

3.00 GENERAL INFORMATION

JAL is currently involved in manufacturing over 300 different products for customers across the globe with the assistance of latest technology, well defined systems and ISO/TS16949 certification.

JAL is equipped with world class technology ranging from forging to heat treatment to finished products including sub-assemblies to serve customers just in time for their final assembly.

The infrastructure capacity at JAL includes the following:

- Forging
- CNC Turning
- Vertical Machining Center
- Broaching
- Gear Cutting
- Gear Shaving
- Heat Treatment
- Honing
- Grinding
- Shot blasting and Shot peening
- Sub-Assemblies
- Induction Hardening
- Gear Grinding

JAL also boasts of best latest technology backed state of art machinery, quality systems, technical knowledge accompanied with dedicated workforce this is the result of the high quality product expectation that JAL seems to be meeting around the globe.

JAL has proven to be a major first class supplier of precise machined components which include automotive & non-automotive parts to major OEM's around the globe.

- Two Wheeler Transmission

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- Transmission for Commercial Vehicles
- Two wheeler sub assembly
- Hydraulic/Gears for Pumps/Motors
- Off-Road Vehicle parts
- Sprockets
- Coupling

FIRE AFFECTED AREA/ PLANT & MAHINERY

GPT, GPW & CHARGE CAR

GPT FURNACE

Electrically heated tempering furnace is equipped with a pneumatically operated door, recirculation fan, and roller rail hearth. It is designed to heat and treat parts from 150 °C to 550 °C

Door is pneumatically operated moves on guide channels with a separate clamping cylinder to obtain a "Retract up-down-close" motion for effective sealing without damage to the 5" ceramic fiber lining. The door is guided by ball bushings riding on machined shafts. When the door is opened, it is first moved away from the furnace casing by the guide channels which pivot at the bottom and are moved out at the top by a small pneumatic cylinder. This provides a tight seal when the door is in the closed position and avoids mechanical damage to the light weight lining.

HEATING EQUIPMENT

The furnace is heated by a ribbon type electrical element duct heater, separated from the load by a baffle. The electrical heater is constructed from alloy, formed into a series of compactly mounted ribbons. The tempering furnace temperature control instrumentation consists of the following equipment,

- Actual Temperature Controller
- Excess Temperature controller

K type thermocouples are available for sensing the temperature and send the signal to controllers.

Furnace's roof and walls are insulated with 5" thick ceramic fiber lining, and 6" IFB on floor lining which are replaceable in the event of mechanical damage.

The roller rails used in the tempering furnace are fabricated from steel and the rollers are cast iron. A steel chain guide is provided to guide the car's handler.

GPW MACHINE

The GPW is equipped with roller rails, car tray handler guides, pneumatically operated elevator, oil skimmer, spray nozzles, spray pump, spray timer, dunk timer, heating burner and a 3 way control valve.

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The washer is used to remove oil after quenching or light machine oil before processing (this is the stage where supposedly the fire broke out as per our observations and discussion with the concerned person at site).

The capacity of the spray wash machine is approx. 5000 liters. The unit is designed for operation within a temperature range of 40C to 80C. The wash machine solution is heated by eco flame burner and controlled by the oil temperature controller trough.

TEMPERATURE CONTROL

The washed solutions temperature is controlled by an actual temperature controller where in the temperature is set on the controller as per the requirement. PT 100 RTD is available for sensing the temperature and accordingly sending the signal to the controller.

The pneumatically operated washer and elevator cylinders are each provided with speed control adjustment. The washer door is opened by pressing the push button which energizes the pneumatic SV coil to operate the elevator during the wash cycle. The washer solution level is automatically maintained by the float operated level devices. Two LS indicators are available for controlling, one is water filling LS and is low water level indicating LS for controlling the heating and spray pump.

The spray or dunk system consists of the spray timer and dunk timer. 7.5HP and 2900RPM spray pump. Initially the charge goes down by elevator and churning process is on till dunking time, then the charge comes up for spray which works via 51 spray nozzles located above and alongside the work. Skimming nozzles direct a flat spray towards the rear of the washer to a skimming trough connected to a drain. This process skims off the oil and dirt floating on the top of the solution. Through this process, the oil and dirt particles are removed from the wash solution. Consists of 0.25HP and 1440RPM skimmer motor, that rotate the drum type mechanism.

CHARGE CAR

The single ended electrically powered charge car transports, loads and unloads trays to and from various tray positions. The car travels on embedded railroad tracks as seen in the photographs provided to each location.

A1HP motor, reducer, chain drive and brake are provided for the car drive.

The car's stiff chain tray handler mechanism travels in a channel as it pushes and pulls the loads with its dock type push or pull head. The drive system provided for the tray handler is the same as that provided for the car travel drive system. The car's location limit switch for the sealed quench furnaceprovides interlocks for the handlers long and short stroke sequences. Lights at the console indicate when the car is aligned correctly at a location. An electronic overcurrent trip circuit is provided to help prevent mechanical damage should the handler or the car drive jam up. A power cable reel provides electrical power as the car moves.

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4.00 OCCURRENCE & CAUSE OF LOSS

As reported by Insured's representative that on 23.07.2018 at around 05:30 AM when the charge was just about to come out from the Furnace, quenching oil in the furnace caught fire due to which subject of loss took places.

Thereafter, supervisor who was on duty applied presence of mind to close the doors of the furnace at the last moment. Thereafter Insured's control the fire by using in house equipment's used by the workers.

5.00 FIRE BRIGADE REPORT

Insured had not called for Fire Brigade Service as the fire was locally controlled by in house equipment's by the workers.

6.00 LIABILITY AS PER POLICY

As per the incident as informed by Insured and also by site observation as made the loss to Insured premises occurred due to sudden onset of fire. Which is found to be in sudden & unforeseen in nature & loss beyond insured's control.

Thus the liability for the claim case attaches to Insurer.

7.00 INSURED'S CLAIM

Insured has claimed for amount of Rs. 3,390,046.42/-

8.00 SURVEYORS OBSERVATION AND FINDINGS

Pursuant to instruction as received from insurer we visited the site of loss to carry out the survey and assessment of subject loss as reported by the Insured. And discussed about the loss situation & gathered relevant information as readily available at the loss site.

Our Observation are as under:-

1. The furnace no 3, which was involved in the fire incident was surveyed and the site engineer gave a brief description of the incident and methods taken to minimize the loss on a letter head duly signed and stamped.

2. As per informed by the Insured's representative on 23.07.2018 a fire occurred in one of the BL heat treatment furnace at 05:30 AM. This happened in of the charge which was supposed to come out of the furnace but the quenching oil caught fire somehow and destroyed the furnace. At around 09:00 AM the fire was controlled by in house equipment's by the workers.

3. The fire initiated as the quenching oil in the oil bath caught fire. As per the operator the furnace, the slider charge car got stuck during quenching, due to which the charge (job) remained in the oil bath longer than the stipulated time. Due to which the quenching oil was over heated and caught fire and fire engulfed the complete furnace.

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09.00 SALVAGE

We have deducted the salvage value an amount of INR 60,000/- for the damaged items and which is fair & reasonable in our opinion.

10.00 ADEQUACY OF SUM INSURED

We have been provided with the CA certified plant and machinery amount list in which the amount of plant and machinery amount is INR 431,144,065/-

As per Issued policy schedule Sum Insured of Plant & Machinery is Rs 503,614,891/-.

Thus, no under insurance applicable.

11.00 EXCESS

5.0% of claim amount subject to minimum of 25,000/- non AOG Perils

12.00 Claim Assessment

Based on the following points, our loss assessment is as under:-

1. At the time of loss Insured has provided to us the repair estimate as INR 4935200/- which includes the loss of production and is estimating for INR 970,000/-.

2. Now the Insured's has provided the Claim Bill for an amount of INR 3,390,046.42.

3. We have considered the rate as per the Invoices provided by the Insured.

4. We have disallowed the cost claimed for quenching oil as the fire originated in the same and thus being origin of fire is excluded in the policy.

Loss Assessment sheet is attached as Annexures "1"

13.00 This report is issued without prejudice to the rights of anyone concerned and is subject to terms, conditions and warranties of the insurance policy issued to and held by the Insured.

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14.00 ENCLOSURES

14.01 Loss Assessment Sheet
14.02 Photographs
14.03 Intimation Mail
14.04 Incident Report
14.05 Repair Estimate
14.06 Asset List of 2017-18
14.07 CA Certify List of Plant & Machinery
14.08 Claim Bill
14.09 Invoices against Claim amount.
14.10 Policy Copy

For IAR Insurance Surveyors & Loss Assessors Pvt. Ltd.

Authorized Signatory