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Homebuyers, now get ready for structural audit

Fortify yourself further by purchasing adequate insurance cover for the building and its contents

SANJAY KUMAR SINGH

The recent news of a portion of the sixth floor collapsing all the way to the first floor at Ghintels Paradiso society in Gurugram's Sector 109 has left both existing homeowners and prospective buyers alarmed. However, there are a few steps you can take to ameliorate this risk.

Go for a structural audit

Before buying, get the structural strength of the building tested if you have any doubts. Today there are home inspection companies that do a thorough check of the flat for all kinds of defects. "We check for defects in doors, windows, electricals, plumbing, walls, ceiling, etc. First, we do a visual inspection of the property. If we notice large cracks and other issues, we



YOUR MONEY

bring in structural auditors to evaluate the building's structural stability," says Nitin Prabhakar Shingoke, founder, PropCheckup. These structural auditors perform a series of tests.

"They carry out tests primarily to check the quality of concrete and the quality of steel reinforcement," says Dikshu C. Kukreja, managing principal, CP Kukreja Architects.

To check the quality of concrete, they carry out tests like RH (rebound hammer), CAPO (cut and pull out), ultrasonic pulse velocity, and so on. They perform half-potential and carbonation tests to check steel reinforcement.

Depending upon the number of tests, the cost can range from ₹2-5 per square feet or higher. "Once you have entered the building, make sure your society

EMERGENCY RESPONSE TO STRUCTURAL COLLAPSES

- Move to open spaces, away from falling debris, as more could fall after the initial collapse
- Beware of gas leaks or electrical hazards; avoid touching power cords and open sockets
- Call the local police and fire brigade
- If any family member is missing, notify the local disaster management authorities; call the local municipality helpline
- If your house is insured, notify your insurer

adheres to the national building code norms and those laid down by local authorities. Ensure that periodic lift and fire safety inspections, as well as structural audits, are carried out," says Kukreja.

Buy adequate home insurance

A home insurance policy would not have covered an incident like the recent one

MISTAKES TO AVOID WHILE BUYING A HOME INSURANCE POLICY

- Buying a policy with lower cover than the replacement value to save on premiums can prove costly
- Don't buy without understanding the exclusions
- All individuals or entities who own the property must be included in the policy as insured or claim settlement could prove time-consuming
- Buying a cover for the structure but not for contents can also prove costly

in Gurugram, where the structure collapsed on its own. But it would be useful in other catastrophes. "This policy covers named perils, such as fire, lightning, storm, cyclone, landslide, explosion, riot, impact damage, acts of terrorism, and so on. Collapse due to wear and tear, however, is not covered," says Raghavendra Rao, chief distribution

officer, Future Generali India Insurance.

Replacement cost is covered

Buy adequate cover for both the structure and the contents. Most policies cover the replacement cost. "The structure is covered for the amount that will be required to rebuild it. The sum insured for the building is calculated as its carpet area multiplied by the cost of construction per unit," says Parag Ved, president and head-consumer lines, Tata AIG General Insurance.

Be careful while arriving at the per unit construction cost because it can vary by locality, quality of construction, and so on.

Bajaj Allianz General Insurance offers sum insured for the building based on the "agreed-upon value" in its My Home insurance policy. "Usually, the claim gets paid once the reinstatement is completed. What we offer the customer in case of a claim is that he takes the sum insured, whatever was agreed at the time of policy issuance, hands over the apartment or building to us, and buys a house anywhere in the country with the insurance money he receives," says T A Ramalingam, chief technical officer, Bajaj Allianz General Insurance.

The internal contents are also covered for the amount required to replace them with a similar item at current cost.

"In a standard home insurance policy launched by the regulator, the cover for contents allowed is 20 per cent of construction cost or ₹10 lakh, whichever is lower," says Rao.

One can, however, buy additional content cover by paying additional premium. In the case of Bajaj Allianz General Insurance's My Home policy, if the value contents is more than ₹5 lakh, the company waives the requirement for a list of individual items with their values. One point needs to be kept in mind regarding high-value items.

"Valuables like jewellery, curios, art, etc are not included in general home contents. They need to be insured separately under valuable contents," says Ved.

Finally, do the due diligence before buying a policy.

Says Abhishek Misra, chief executive officer and principal officer, Bonanza Insurance Broker, "Compare the claim settlement ratios of insurers. Also compare their policies and understand the scope of their coverage and benefits."