
(2004) 04 NCDRC CK 0082

In the National Consumer Disputes Redressal Commission

DURG RAJNANDGAON GRAMIN BANK

APPELLANT

Vs

Oriental Insurance Co. Ltd.

RESPONDENT

Date of Decision : 13-04-2004

Acts Referred:

Citation : 2005 1 CPJ 25

Hon'ble Judges : V.K.Agrawal , Veena Misra , R.S.Awasthis J.

Final Decision : Appeal dismissed

Judgement

1. THIS appeal under Section 15 of the Consumer Protection Act, 1986, is directed against the order dated 18.4.2002 in Complaint No. 231/98 by District Consumer Disputes Redressal Forum, Durg (hereinafter called the "District Forum" for short) directing the appellant Co-operative bank to pay a sum of Rs. 2,650/- to the complainant/respondent No. 3 with interest thereon and also cost of the complaint.

2. THE complainant/respondent No. 3 undisputedly insured 4 pigs, three of which were female while one of them was male. THE premium amount was also paid by the complainant/respondent No. 3 to the appellant-Co-operative Bank for being remitted to the Insurance Company. On the death of one pig on 2.12.1991, a claim was put up by the complainant with the insurer. However, the same was not accepted by the insurer. Hence this complaint. In its written version the opposite party No. 1 appellant herein, admitted that the pigs as above were insured. It was further stated by appellant that on 2.12.1991 the claim for payment of insured amount was sent to respondent No. 1 Oriental Insurance Co. Ltd. However, the claim was repudiated by the said insurer because no premium was received by them. It is further stated in para 4 of the written version by the appellant Co-operative Bank that the premium though was to be paid to respondent No. 1 Oriental Insurance Co. Ltd., but the same was sent to respondent No. 2 New India Assurance Co. Ltd., as per receipt marked as Annexure P-1 filed in the District Forum by the appellant. It was further stated in the written version that the complainant was intimated about the factual state as

above and she was advised to seek compensation from respondent No. 2-New India Insurance Co. Ltd.

The stand of the respondent No. 1 Oriental Insurance Co. Ltd. was that they never received any premium amount and, therefore, it was averred that it owed no liability to the complainant/respondent No. 3 as no insurance cover was issued by them.

3. RESPONDENT No. 2-New India Insurance Co. Ltd. in its written version averred that they did not insure the pigs of the complainant and, therefore, they are not liable to pay any compensation. Learned District Forum in the impugned order held that appellant Bank has not remitted the premium amount to the insurer respondent No. 1-Oriental Insurance Co. Ltd. On account of non-payment of premium as above to the Oriental Insurance Co. Ltd., insurance cover could not be extended to the complainant. Remittance of insurance premium to respondent No. 2-New India Insurance Co. Ltd. by the appellant Bank would not make it liable for the loss of complainant/respondent No. 3, because the proposal for insurance was never submitted to the said respondent No. 2-New India Assurance Co. In view of the above it was held by the District Forum that respondent Nos. 1 and 2 i.e., Oriental Insurance Co. Ltd. and New India Assurance Co. Ltd. have not committed any deficiency in service in not accepting the claim of the complainant. It was further held that the fault lay on the doors of appellant Bank who did not remit the amount of premium to the insurer Oriental Insurance Co. Ltd. Hence, it was held that appellant Bank is liable to pay the amount assured under the policy to the complainant/respondent No. 3.

4. LEARNED Counsel for appellant Bank submitted that since the amount of premium was sent to the respondent No. 2, New India Assurance Company the complainant/respondent No. 3 was intimated several times by the appellant Bank to lay her claim before respondent No. 2 New India Assurance Co. Ltd. However, the complainant/respondent No. 3 did not take action as above and, therefore, did not get the claim. It was, therefore, submitted by the learned Counsel for appellant Bank that they should have been exonerated from liability. The contentions as above are obviously ill-founded. It is apparent from the record that the insurance proposal was submitted to Oriental Insurance Co. Ltd.-respondent No. 1 herein. The amount of premium, however, was sent by the appellant Bank to respondent No. 2 New India Assurance Co. Ltd. instead of Oriental Insurance Co. Ltd. Mere remittance of premium amount as above would not make respondent No. 2 New India Assurance Co. Ltd. liable in the absence of any proposal for insurance received by them. The mistake was solely that of the appellant Bank in not remitting the amount of premium to the insurer Oriental Insurance Co. Ltd. who rightly repudiated the claim as it had not received the premium amount. The appellant Bank not only committed deficiency in service, but it continued to insist that complainant/respondent No. 3 should prefer her claim before respondent No. 2 New India Assurance Co. Ltd., who was not the insurer. In the circumstances, the findings and conclusion of learned District

Forum that the appellant Bank was liable to pay compensation, is wholly justified and is affirmed. There is no reason for interference in the impugned order, holding so, and awarding compensation against the appellant Bank.

5. THE appeal is dismissed. THE appellant Bank shall bear its own cost of this appeal and shall pay that of the respondents which is quantified at Rs. 1,000/- (Rupees one thousand), which would be payable to each of the respondents. Appeal dismissed.