(1997) 04 NCDRC CK 0007

In the National Consumer Disputes Redressal Commission

Elbee Services Limited APPELLANT

Vs

Indo Swiss Jewels Ltd RESPONDENT

Date of Decision : 07-04-1997

Acts Referred:

Citation : 1997 2 CLT 400 : 1997 2 CPC 72 : 1997 2 CPJ 70 : 1997 2 CPR 40

Hon'ble Judges : P.C.MISRA , MRINALINI PADHI J.

Judgement

1. THE complainant in this case has claimed for compensation alleging deficiency in service on the part of the Life Insurance Corporation of India (L.I.C.). She is the wife of one Abhimanyu Swain who had insured his life for a sum of Rs. 30,000/with double accident benefit. He died on 24.2.90 after meeting with a road accident while going to his father -in -law''s house on a scooter. An F.I.R. was lodged on 22.3.90 and the Police report as regards the cause of accident is inconclusive as the complainant''s husband died in the accident. The complainant being the nominee under the policy, lodged a claim before the LIC and she was informed by a communication dated 30.3.93 that the Competent Authority has disallowed the double accident benefit under the policy of her husband as per Condition No. 10(b)(iv). Apart from the fact that the L.I.C. took more than a year for repudiating the claim of the accident benefit, it really did not disclose the ground of repudiation mentioned in Condition No. 10(b)(iv) which is vague and incapable of being disputed. Condition No. 10(b)(iv) says that the Corporation shall not be liable to pay the additional sum referred to in Clauses (a) and (b) if the death of the life assured is as a result from the life assured committing'' any breach of law which law the life assured violated should have been mentioned in the letter of repudiation. Without the same being mentioned, there was no scope for the present complainant either to accept or to dispute the cause shown. If the L.I.C. wanted to be relieved of the liability because of any exception provided, in Clause 10(b)(iv), it should have clearly indicated the ground of applicability of the said clause. That having not been done, the complainant filed the present case alleging deficiency in service on the part of the L.I.C. On being noticed, the L.I.C. appeared and has filed a show cause on the 3rd June, 1994. In the show

cause it was stated that an enquiry was conducted by the Senior Branch Manager of Jaipur Branch of the Corporation who reported that the F.I.R. is true. According to him, the F.I.R. reveals that a case under Sections 279/304 A, Indian Penal Code was lodged against the said Abhimanyu Swain for rash and negligent driving.

2. THIS aforesaid statement itself is unacceptable because the accident occurred on 22.2.90 and the life assured died on 24.2.90. It is unimaginable how a case under Sections 279/304 A, I.P.C. was lodged against a person who was dead. Though investigation report by the police is not before us nor it is known that the case was lodged, it must under the circumstances be presumed that it was beyond 24.2.92. Assuming that the police gave a report that the policy holder was driving in a rash and negligent manner, in our opinion the same is not conclusive and the report of the police though relevant requires further investigation by the L.I.C. itself. It has not been disclosed in the show cause as to what investigation was made by the Senior Divisional Manager who was deputed for the purpose and, therefore, we are not in a position to comment upon the modalities of investigation or the result thereof. The report of the Senior Divisional Manager has not been produced before us. We are told that it collided against another heavy vehicle and nothing has been stated as to what action was taken by the police and/or what investigation was made by the L.I.C. to find out whether the driver of the other vehicle was rash and negligent. The fact, however, stands concluded that the policy holder, namely, the husband of the complainant died in an accident. In the absence of any proof that he violated any provision of law, the complainant was entitled to the benefit of accident which in our opinion has unjustifiably been denied to her. In the show cause it has been mentioned that the basic sum assured and bonus thereon has already been paid to the complainant. In the conclusion we direct that the accident benefit payable under the policy be paid forthwith to the complainant together with interest at the rate of twelve per cent per annum from 1.4.93 till the date of payment. We direct interest be payable from 1.4.93 because the repudiation was made on 30.3.93. The aforesaid payment together with all other benefits under the policy if any be paid to the complainant within a month from the date of receipt of the order, failing which it will be available to the complainant to take proceedings for recovery thereof. Ordered accordingly. ================ == =========

