(1992) 05 NCDRC CK 0043

In the National Consumer Disputes Redressal Commission

K.K. MISHRA APPELLANT

Vs

Branch Manager, L.I.C. of India RESPONDENT

Date of Decision : 04-05-1992

Acts Referred:

Citation : 1992 3 CPJ 166

Hon'ble Judges : S.C.Mohapatra , R.N.Panigrahi J.

Advocate : A.S.Naidu , P.K.Mohanty , C.R.Das , D.R.Ray , A.K.Rath

Final Decision : Allowed

Judgement

1. DEFICIENCY in insurance service is grievance of complainant.

2. CASE of complainant is that he is insured under salary saving scheme having a money back policy for a sum of Rs. 10,000/- in Kalol Branch of Life Insurance Corporation of India. On 15.3.1986 when he was transferred to the State Marketing Office at Bhubaneswar on 16.6.1988, he requested the Kalol branch to transfer all the documents relating to the policy to Main Branch Unit 7, Bhubaneswar. As per the request documents were transferred from Kalol Branch on 20.6.1988 to be received in Bhubaneswar Branch on 30.6.1988. On transfer of the complainant to Sambaipur Office, he requested to transfer the policy to Sambalpur Branch after changing the monthly premium to be paid quarterly. Since 1st money back-payment was due on 15.3.1991, he was informed that the transfer of policy would be effected after payment of 1st money back. When there was delay in payment, complainant enquired about it on 20.4.1991 and about the transfer of the policy. Since the bag containing his documents received from Kalol Branch was not available, the dealing assistant told that a do my packet would be opened any dues payable shall be released. On 20.5.1991, complainant received the forms of discharge and signing the same returned to branch office along with original policy on 25.5.1991. Grievance has been made that till the date of filing of the complaint on 4.10.1991 he has not received payment although he has visited Bhubaneswar branch from Sambaipur four to five times to enquire about the payment and has also made grievance to the

Cuttack Divisional Office as well as Bombay head office. On receipt of notice with copy of complaint on 15.1.1992, opposite party addressed a letter to the commission that the claim has been settled on 7.10.1991 for a sum of Rs. 2,101/- (rupees 2000/- due + rupees 101/- interest) and policy has been transferred to Sambalpur. Thereafter it has stated the case asserting that delay was due to non-receipt of necessary particulars of premium payment position which were to fee called for from Kalol office in State of Gujarat and on receipt of the same payment has been made. For delayed payment, interest has also been paid. It is asserted that corporation has been constituted and established under the Life Insurance Corporation Act and functionaries of the corporation are aware of public accountability. Since decision for payment was taken after receipt of relevant information from the original servicing branch, there was no deficiency in service. It was also claimed that if at all it is a breach of contract and such breach cannot come under the Act since redressal agencies under the Act are not substituting of common law Forum.

Insurance comes within the definition of ''service'' under Section 2(o) of the Act. From the stage of publication of scheme of insurance till the full discharge is given, there should not be any deficiency which is defined in Section 2(g) to mean any fault, imperfection short-coming or inadequacy in performance of such service which is required to be maintained. When due date of payment is 15.3.1991 it was to be performed by that date. In case there was any difficulty, the insured is to be intimated about the same. All actions are to be taken much prior to the date of payment so that insured is either paid or in case of difficulty is intimated the cause of delay with expression of apology for inconvenience if any. In the present case, such attitude is wanting which is a short-coming and imperfection in performance. No letter has been produced before us to the effect that insurer was intimated of the genuine difficulty for bearing with the corporation. Thus, the constituents of the corporation who claim to be aware of the public accountability are found to be victious of beaurocratic attitude intolerant of a deficiency being alleged against them. Unless such attitude changes in future serious view shall be taken by this commission in case grievances made by consumers are found to be justified.

3. CONSTITUENTS of corporation do not march with the progress of time to appreciate object of the enactment. Fact that Parliament included specifically insurance to be a service indicates that representative of people were well aware of the deficiency in insurance service from which consumers were intended to be protected. CONSTITUENTS of the corporation ought not to have a spirit of litigation which is prolonged in Civil courts to the detriment of sufferers. On account of the same Section 3 of the Consumer Protection Act clearly lays down that the provisions are in addition to and not in derogation of other laws. Choice is with the consumer to choose the Forum. Obstructive attitude ought to be given up by constituents of the corporations as early as possible. It is asserted by complainant that he had to visit Bhubaneswar 4 to 5 times from Sambalpur. In case clear dates would have been mentioned and such visits to Bhubaneswar are

not on account of official work of complainant, we would have awanlul compensation for the same. Such facts are wanting.

4. IN the result, complaint is allowed. We direct that opposite party shall ascertain from complainant whether the amount has been received and in case of non-receipt shall pay the same with interest. Complaint allowed.

