

(1994) 03 NCDRC CK 0035

In the National Consumer Disputes Redressal Commission

P.N.S. MURTHY

APPELLANT

Vs

Oriental Insurance Co. Ltd.

RESPONDENT

Date of Decision : 24-03-1994

Acts Referred:

Citation : 1994 3 CPJ 200

Hon'ble Judges : A.Venkatarami Reddy , J.Ananda Lakshmi , C.V.Subba Reddy J.

Final Decision : Appeal allowed

Judgement

1. THE complaint was filed claiming compensation of Rs. 26,400/-, on account of failure of the electric moving display system which was insured with the Opposite Party. THE District Forum without going into merits of the case closed the complaint that both parties to appoint the Arbitrator as per Clause-9 within a month from today.

2. IT is submitted in this appeal that the District Forum ought to have considered the case on merits and mere existence of arbitration clause under agreement does not take away jurisdiction of the District Forum to adjudicate upon the claim, if there is any deficiency in service. We see force in the aforesaid contention. IT has been held by the National Commission that in case of Insurance claims, mere clause in the Insurance Policy, that the parties may refer to the arbitration, does not in any way take away the jurisdiction of the District Forum. In the result the order of the District Forum is set aside and the matter is remitted to the District Forum, Warangal for disposal of the case on merits and in accordance with law, after giving notice to both the parties. Since the complaint relates to the year 1991, we direct the District Forum to dispose of the case expeditiously as early as possible, preferably within a period of three months from the date of receipt of the order. Appeal allowed.