(2010) 08 NCDRC CK 0031

In the National Consumer Disputes Redressal Commission

R.Muthukrishnan APPELLANT

Vs

New India Assurance Co. Ltd RESPONDENT

Date of Decision : 25-08-2010

Acts Referred:

Citation : 2010 0 NCDRC 144 : 2010 3 CPJ 390

Hon'ble Judges : Anupam Dasgupta , Vineeta Rai J.

Final Decision : Revision petition dismiss

Judgement

1. THE present revision petition filed by Shri R Muthukrishnan Petitioner in this case(complainant before the District Forum and appellant before the State Commission) is directed against the order of the Tamil Nadu State Consumer Disputes Redressal Commission, Chennai (hereafter, the State Commission), which dismissed Appeal No. 572 of 2005 of the Petitioner. Briefly the facts of the case according to the Petitioner are that he had taken a comprehensive insurance policy from the New India Assurance Co. Ltd., (Respondent in this case) in respect of his scooter for one year w.e.f 08.05.2002 to 07.05.2003. In order to maintain continuity in the insurance cover, the Respondent sent an undated policy renewal notice demanding premium of Rs.459/-. In response, Petitioner sent a cheque dated 27.04.2003 for Rs.459/-. However, on 06.05.2003, the Respondent returned the cheque to the Petitioner demanding a revised higher premium of Rs.637/-. Respondent also enclosed a computerized worksheet indicating the details of the higher premium. It was further stated in the letter that the Petitioner should ensure that the cheque for Rs.637/- reached the Respondent by 07.05.2003 (i.e., the next day), failing which the Petitioner may be required to produce the vehicle for pre-acceptance survey. THE Petitioner sent the revised premium amount by post but it could not reach the Respondent by the stipulated date; as a result, continuity of the insurance cover was broken.

2. ON 17.05.2003, Petitioner at the instance of the Respondent produced the vehicle for pre-acceptance survey to the authorized representative of the Respondent and at that time, the Petitioner also presented him with the revised

premium cheque. However, the authorized representative refused the Petitioners request for giving a receipt/ acknowledgement for the cheque. As a result, the insurance policy could not be renewed. Petitioner, alleged deficiency in service on the part of the Respondent in failing to maintain continuity in the comprehensive insurance cover on two specific occasions: (i) on 06.05.2003 by not renewing the insurance cover and returning the premium cheque and thereafter demanding payment of revised higher premium, that too without giving adequate notice for effecting payment; and (ii) by refusing on 17.05.2003 to give any acknowledgement for the cheque for Rs.637/-. This deficiency according to the Petitioner, continued from 08.05.2003 to 12.06.2003 during which period the Petitioner could not use his own vehicle since it is against the provisions of the Motor Vehicles Act to drive an uninsured vehicle. He thus had to pay Rs.5,820/- towards hired conveyance charges during this period which caused him undue hardship and inconvenience. Aggrieved by these deficiencies, the Petitioner filed a complaint before the District Forum seeking Rs.50,000/- as compensation for inconvenience and mental agony and Rs.5000/- as litigation cost.

The Respondent admitted that higher premium was necessitated for the Petitioners vehicle because of the new Tariff imposed w.e.f 01.07.2002 by the Tariff Advisory Committee which is a statutory body. When the Petitioners policy fell due for renewal, the new enhanced premium rates were in force and had to be charged. The value of the vehicle was calculated at Rs.28,000/- and the applicable premium was calculated at Rs.637/-. These facts were specifically written in hand on the computer-generated renewal notice sent to the Petitioner in April 2003. However, the Petitioner for reasons best known to him, chose to ignore the revised premium and sent the cheque for premium at the old rate. The Respondent further stated that though the Petitioner sent the cheque on 27.04.2003 it was received by the Respondent only on 06.05.2003 and on that very date, the Respondent sent a letter requesting the Petitioner to send the revised cheque.

3. THEY also took care to inform the Petitioner that if the cheque was not received before the expiry of the previous policy, there would be a break in the insurance cover and the vehicle would have to be again inspected. Later, as a gesture of courtesy to their erstwhile client who is also a senior citizen, Respondent instead of following the usual practice by asking the Petitioner to come with the vehicle to the insurance office, sent itsauthorized agent to the Auto Centre where the Petitioners vehicle was parked for inspection and to receive the premium cheque. Even then, instead of cooperating, the Petitioner insisted that the authorized representative of the Respondent should issue a receipt for the cheque on-the-spot. When the agent expressed his inability to do so, the Petitioner insulted him and sent him away. Despite this behaviour, the Respondent still issued a new policy to the Petitioner from 13.06.2003 to 12.06.2004, after finally receiving a cheque for the correct premium amount. The District Forum, vide its order dated 17.08.2005, concluded that there was no deficiency in service on the part of the Respondent and the Petitioners complaint

was dismissed. Aggrieved by the order of the District Forum, the Petitioner filed an appeal before the State Commission. The State Commission after carefully considering all the evidence on record gave a very detailed order stating that there was no deficiency in service on the part of the Respondent and therefore, dismissed the appeal. It also made some rather harsh observations about the attitude and behaviour of the Petitioner, calling his a vexatious attempt to denigrate the Respondent.

4. AGGRIEVED by this order, Petitioner has filed this revision petition before this Commission. We have heard the Petitioner in person as well as the learned Counsel for the Respondent. In his submissions before us, the Petitioner who is a Central Government Pensioner confirmed his version of the case as stated by him before the learned Fora below and in his written averments to the National Commission while filing the present revision petition. He emphasized the fact that in the renewal notice sent to him in April 2003, the premium amount of Rs.459/- was clearly printed and not scored out. It was, therefore, but natural that the Petitioner understood this to be the premium amount due rather than the unsigned hand written amount indicated in the notice. Therefore, the Petitioner promptly sent a cheque for the printed amount in good faith. The allegation that he sent a lesser amount of premium because he was not seriously interested in renewal of the policy was totally incorrect. Further, he was hardly given any time to send a fresh cheque with the new premium amount which resulted in a break in the insurance cover. It was also unfortunate that the authorized agent of the Respondent refused to give him a written receipt acknowledging that he had received the cheque which is the usual practice every where. It has to be appreciated that the Petitioner was not demanding issuance of an on-the-spot insurance policy. The Petitioner has further stated that his genuine grievances were not heard and appreciated by the State Commission and earlier by the District Forum in the correct perspective. If the Insurance Company had been efficient and prompt in dealing with his case, there would have been no break in the insurance cover and he would not had to face the resultant inconvenience and hardship, through no fault of his. The learned Counsel Respondent, while reiterating that there was no delay or deficiency in dealing with the Petitioners case, has stated that it went out of its way to be courteous and helpful to him to facilitate continuity of the policy, from the time of issuing the renewal notice till the issue of the new policy on 13.06.2003. While admitting that there was a minor error on its part in not striking out the printed premium figure in the renewal notice dated April 2003, learned Counsel stated that the hand written calculation of the revised premium was very clearly shown on that notice. Thus there was no mala fide intention or any attempt to mislead the Petitioner. In fact, the delays were wholly attributable to the Petitioner who, despite being an educated person first sent the cheque for a wrong amount by disregarding the hand written calculation clearly shown in the revised printed premium notice and secondly by failed to remit the correct premium cheque by the due date. Further, his insistence on seeking immediate receipt was not

necessary since he had given an account payee crossed cheque which could not be misused. Learned Fora below, therefore, rightly dismissed the Petitioners appeal.

5. WE have patiently heard the Petitioner as well as the learned Counsel for the Respondent and have carefully gone through the entire evidence on record. WE do not find any deficiency or discourtesy on the part of the Respondent. In fact, the Respondent was prompt in dealing with the case right from the timely issue of policy renewal notice to the Petitioner. It even went out of the way to get the vehicle inspected at a place convenient to the Petitioner rather than asking him to come to its office, as per the normal practice. All this was done to facilitate the issuance of the new policy to the Petitioner. There was only one error which the Respondent has itself conceded viz., it did not strike out the printed figure from the policy renewal notice However, the Respondent cannot be penalized for this minor lapse or be held accountable for deficiency in service to the client. At the most, it should serve as an advisory to all insurance companies that computer generated communications must be up-dated in all respects so that there is no need to resort to handwritten addition and updates.

6. THE Petitioner, on the other hand, is an educated and aware person and should have been more careful in dealing with his own insurance case. It appears that perhaps because of a genuine confusion on his part, the Petitioner sent a cheque for the wrong premium amount which led to the break in his insurance cover and the resultant problems. However, these cannot be attributed to any action/ or inaction on the part of the Respondent. In view of the foregoing reasons, we uphold the order of the State Commission and dismiss the present revision petition, with no order as to costs.