(1998) 03 NCDRC CK 0037

In the National Consumer Disputes Redressal Commission

STAR AUTOS And ENGINEERS APPELLANT

Vs

United India Insurance Co. Ltd. RESPONDENT

Date of Decision : 19-03-1998

Acts Referred:

Citation : 1997 1 CPC 600 : 1998 2 CLT 19 : 1998 2 CPJ 537

Hon'ble Judges : M.R.Agnihotri , A.D.Malik , Sushil Paul J.

Final Decision : Appeal dismissed

Judgement

1. COMPLAINANT M/s. Star Autos & Engineers of Ambala City have come up in appeal against the order dated 12.11.1996 passed by the learned District Consumer Forum, Ambala, whereby their complaint, alleging deficiency in service against the United India Insurance Company in the matter of indemnification of the loss suffered by them on account of involvement of an insured tractor in an accident, has been dismissed on the ground that the complainants had failed to comply with the necessary requirements for the settlement of the claim e.g. the production of labour charges bill and deposit of salvage etc.

2. ACCORDING to the complainant-firm, they had get their tractor insured with the respondent- Insurance Company and during the period of insurance the tractor met with an accident on 22.3.1993. They intimated the Insurance Company promptly and got the tractor repaired by replacing the spare parts etc. The Surveyor of the Company also conducted the necessary survey and the estimate was duly submitted. Despite all this/ when the claim was not settled the complaint was filed for claiming the amount of Rs. 33,550/- as the loss suffered with 18% interest thereon and Rs. 20,000/- by way of compensation for harassment and mental agony alongwith Rs. 5,000/- as litigation expenses. In their reply, the Insurance Company pleaded that firstly when the cheque for the insurance premium was issued on 4.3.1993 and later on 22.3.1993, the amount of the cheque was not realised because sufficient funds were not available in their Bank account. Therefore, the legally valid contract of insurance had not come into existence between the parties. It was further pleaded that the

Insurance Company had asked the complainant-firm to submit the original driving licence of the driver, bills, Cash Memos and other documents regarding the payments made by them on effecting the repairs and purchasing the spare parts etc. but as the complainants failed to comply with the necessary requirements, the Insurance Company had to repudiate the claim. The learned District Consumer Forum, after a detailed examination of the evidence produced by the parties, came to the conclusion that so far as the objection with regard to the non-availability of sufficient funds in the Bank account of the complainants was concerned, it was not tenable as at the time of the presentation of the cheque the amount was available to honour the same. However, the learned District Forum found that neither the salvage of the vehicle was deposited nor the original driving licence alongwith the necessary documents was produced by the complainants. In view of this position, there was no option left with the learned District Forum but to dismiss the complaint. In the appeal before us, the learned Counsel for the complainant-appellant firm has reiterated the submissions made before the learned District Forum and has further contended that once it was established on record that the vehicle was insured with the respondent- Insurance Company and the vehicle had met with an accident, it was the duty of the Insurance Company to settle the claim to indemnify the loss suffered by the complainants forthwith.

After hearing the learned Counsel for the parties and having gone through the record, we do not find any merit in the appeal as in the detailed and well-reasoned order passed by the learned District Forum it has been found as a fact that the complainants had failed to comply with the requirements pointed out by the Insurance Company for the settlement of the claim and they had not even deposited the salvage of the vehicle alleged to have met with an accident. Therefore, there was no deficiency in service on the part of the Insurance Company in repudiating the claim. Consequently, there is no legal infirmity in the order passed by the learned District Consumer Forum. The appeal merits dismissal and we order accordingly. There shall, however, be no order as to costs. Appeal dismissed. ______________

