(2005) 08 NCDRC CK 0026

In the National Consumer Disputes Redressal Commission

SUDHAKAR TRADERS APPELLANT

Vs

NATIONAL INSURANCE CO. LTD. RESPONDENT

Date of Decision : 08-08-2005

Acts Referred:

Citation : 2005 0 NCDRC 37 : 2005 4 CPJ 25 : 2006 1 CLT 226

Hon'ble Judges : M.B.SHAH , RAJYALAKSHMI RAO J.

Advocate : K.P.S.RAO , VINEET MALHOTRA , D.K.SINGH , K.L.NANDWANI

Judgement

1. IT is the say of the complainant that it is a general merchant dealing in edible oils, like groundnut oil and pulses. They are also the owners of the Oil Mills which were involved in fire accident on 6.8.93. The Complainant has purchased the oil mill machinery with the financial assistance from Andhra Pradesh State Finance Corporation, Ongole, and has also availed the working capital from it. The complainant has been taking insurance policies since 1989 and he has taken the following policies for the relevant period:- Undisputedly the Complainant is dealing in oil seeds and husk and both are highly inflammable articles for which Insurance premium is also higher. It is contended that during this period of four to five years at no point of time Complainant has lodged any claim for the damages even though he has paid large amount of premium.

2. IT is also contended that trading in oil and oilseeds is seasonal and depends upon the groundnut crops available and the other market conditions. In the State of Andhra Pradesh months of March to August are considered to be the months for groundnut, oilseeds, oil and for extraction of groundnut oil. For the relevant period the Complainant purchased large quantity of groundnut seeds and chilies and groundnut oil was being extracted by working on three shifts i.e. to say for day and night. The proprietor of the factory, the complainant, was informed on 6.8.93 at about 7.00 A.M. that there was a fire in the factory premises. The information was given by the persons residing in the neighbourhood. It is contended by the Complainant that: (a) immediately the Fire Brigade and the Police were informed. Fire Brigade came at the spot and carried out the operation

for over 15 hours. The certificate given by the Fire Brigade is produced on record. The said certificate specifically mentions that time of out-break of the fire was at 0500 hours on 6.8.93. Information to the Fire Brigade was given at 7.10 A.M. and they arrived at the spot at 7.21 A.M. It took 14 hours and 20 minutes for extinguishing the fire. It is also specifically mentioned that the supposed cause of the fire was electricity and reported damage was for a sum of Rs.25 lakhs; (b) FIR was lodged on 7.8.93 at 8.00 A.M. with the Police, wherein it was stated that accidental fire took place on 6th August at 6.00 A.M.. Complainant has also produced on record the final report submitted by the Investigating Officer U/S 173 of Cr. P.C. As per the final report further action after investigation was dropped because it was an accidental fire; (c) Complainant has produced on record the certificate dated 11.8.93 given by Sainadha Electronics and Engineering Company having Supervisor Permit wherein it is stated that on 11.8.03 he visited the factory premises and found that the entire electric equipment of electrical wiring of the said mill was burnt due to electrical short circuit. Due to the temperature, chilies, groundnut, groundnut oil, groundnut seeds and groundnut cakes were burnt, pipe trusses were bent and side walls had collapsed on account of fire due to short circuit accident. (d) The Complainant informed the insurance company about the fire accident. On the basis of said information on 7.08.93, the Divisional Manager of the Insurance Company alongwith the Development Officer and other staff visited the factory premises of the Complainant and verified all the relevant documents like the stock book, day book, ledgers etc. and initialed and signed the said record. This is produced on record alongwith the affidavit dated 2.12.02 filed by the Complainant. This is also averred in paragraph 8 of the complaint and also in paragraph 23 of the complainant''s affidavit.

2. On this aspect, it has been pointed out that there is no denial from the Insurance Company about the visit of the Divisional Manager, Development Officer and other staff nor there is denial with regard to the initials being placed on the record by the Divisional Manager. (e) Thereafter, Opposite Party No. 2, United India Insurance Company appointed one Shri Varahaswamy as its Surveyor and he also visited the premises on 7th August, 1993. (f) Opposite Party No. 1, National Insurance Company Ltd. appointed M/s. N.V.P Sharma Associates Pvt. Ltd. as Surveyors who visited the premises on 14.08.93 and investigated the matter and verified the records of the Complainant. Survey Reports: (i) Report of N.V.P.Sharma Associates Pvt. Ltd.

Learned Counsel for the Complainant has heavily relied upon preliminary Surveyor''s report submitted by M/s. N.V.P Sharma Associates Pvt. Ltd. dated 18.08.93. The relevant part of the said report is as under:- 3.0 INCIDENT REPORT:- 3.1 At the time of our inspection Sri K. Sudhakar Rao, the sole proprietor of Sudhakar Traders, narrated to us the circumstances and events that had taken place immediately before and after the reported fire incident. The gist of his narration is reproduced below:- 3.2 On 5th August, 1993, the mill was working as usual. During the night one load of groundnut kernels were fed into the expeller for extracting the groundnut oil. Around midnight the expeller had to be stopped as the worm and the worm wheel were worn out and the seed was not getting crushed properly. Therefore around 12.30 in the midnight the mill had to be stopped. All the workers had come out and the mill was locked from outside. All the workers who were on duty including myself slept outside. 3.3 Around 5.00 AM on 6th August, 1993, I have instructed the driver Mr. S.K. Rasool to go to Vijayawada to get the reconditioned worm from Rajendra Mechanical Works, Vijayawada. Immediately thereafter I left to home. The other four female casual workers went home at 5.30 AM by the first bus in the morning to Ongole.

3.4 Around 7.00 AM on 6th August, 1993, Sri Mekala Venkateswarlu, an employee of Coastal Granites, our neighbours, on seeing fire inside our factory came running to my house to inform me about the unfortunate episode. On hearing the bad news, I have immediately left to the factory by bicycle and reached around 7.30 AM. By then about 10 to 15 people gathered around the factory and were watching the fire. 3.5 I was told that the fire brigade was already informed about the burning fire in our factory by one of the neighbours employees (Alapati Rangaiah and Co.). I have also phoned to fire brigade requesting them to rush to the factory. 3.6 Around 8.00 AM the fire tender along with firemen reached the factory and started to put out the fire. They stayed on till 10 AM on 7th August, 1993 and then left after extinguishing the fire. The fire could not be completely eradicated as the rubble and machinery had fallen on the burning stocks thereby rendering the fire fighting process difficult.

3.7 Therefore, we had employed two casual workers and a handcart to carry water to the factory to put out the fire whenever it reappeared. We have informed the Insurance Company on 6th afternoon by about 3.00 P.M. The Development Officer and Divisional Manager have visited our Mill on 7th morning and saw the fire and the books of accounts and stores ledgers maintained by us. 3.8 We also simultaneously informed the A.P. State Financial Corporation, Ongole Branch as they have financed our factory.

A.P. State Financial Corporation officials have visited our factory and inspected the premises both on 6th and 7th August, 1993. 3.9 We have also informed the police in writing on 7th morning and requested them to visit our factory and take necessary steps as required by the law. The police department visited the mill on 7th morning to conduct the ''Panchanama'' and issued us a First Information Report.

CAUSE OF LOSS

3. AS per the insured''s narration, this fire was attributed to electrical sparking which had then spread to the stocks and thereafter engulfed the entire building, plant and machinery and stocks placed inside the building. 4.2 We have examined the premises carefully to identify the cause of fire. Our observations are as under:- - The fire appeared to have originated in the North-West corner of

the building where groundnuts and groundnut kernels were stored. The burning of the material in this area was very high indicating that the fire load was maximum at this point. - During the course of our investigation we had inquired with the insured on the following other possibilities of fire a) accidental discarding of lighted beedi/cigarette b) arson/sabotage either by business competitors or disgruntled workmen c) storage of any dangerous materials other than the stocks. 4.3 The insured had categorically denied any such possibility.

4. AT the same time, we also did not come across any specific evidence to conclude the cause of fire is of electrical origin. 5.0 EXTENT OF DAMAGE 5.1 At the time of our preliminary and cursory inspections the following damages were noticed. 5.2 Buildings: Entire machinery hall was affected. The AC corrugated sheet roof and mild steel roof trusses were damaged. The brick walls were damaged and had fallen down. The rolling shutters were also badly damaged. The flooring could not be reached for inspection because of the presence of debris which is still to be cleared. 5.3 Plant and Machinery: List of machinery erected: A decordicator, an oil expeller, a filter press and a baby boiler along with motors and electricals were found erected in position inside the mill premises. At this juncture, all of them seem to be totally damaged. However detailed inspection will be carried once the debris is removed. 5.4 Stocks: Stocks consisted of - Groundnuts - Groundnut Kernels - Groundnut oil - Groundnut cake and - Red chilies All these items were burnt various degrees in the fire. These stocks were further damaged by water used in fire fighting.

It is important to note that husk room adjoining the mill which is communicating with the mill and hence classified as class II construction was stuffed with husk to its capacity. In addition, two large heaps of husk, as may be seen from the photographs appended to this report were stored in the open abutting both the husk room and machinery hall. Surprisingly, these were not affected at all in such a large fire. This aspect raises certain doubts which need to be examined into greater detail. 6.2 As per stock registers and books of accounts shown to us, it appears, prima facie, that insured is adequately covered except perhaps for groundnut kernels to the tune of 15-20% approx. as far as stocks are concerned.

5. THE insured has lodged a claim for Rs.27 lakhs which is the total sum insured of all assets under all policies issued to them. 8.2 At this point of time it is recommended that a provision may be made for Rs.18,00,000 as stocks policies issued by United India Insurance Company Limited would also contribute towards this loss. 8.3 As and when we proceed further with the assessment, a more realistic estimate would be made and informed. 9.5 The insured''s bank account is very sketchy and when enquired we were told the business is mostly transacted in cash. 9.9 The concern is financially unsound, as may be seen from the fact, that insured owes large sums of money to his sundry creditors. 9.10 Under the above circumstances, we recommend this claim may be investigated by a competent agency immediately to go into the following aspects in particular - Purchase of Groundnuts from farmers. - Presence of stocks inside the mill

immediately anterior to the loss. - Cause of origin of fire The insured was advised by us not to disturb the salvage until he hears from us and permission is granted by the Divisional Office, Ongole. We shall be deputing a Chartered Accountant to examine the books of accounts and ledgers during the course of next week and seek the insurer''s approval in this regard. (ii) Report of Varaha Swamy:

6. ONE Mr.Varaha Swamy has submitted his survey report (preliminary) on the instructions received from M/s. United India Insurance Co. Ltd., Ongole. It is his say that he visited the factory on 5th, 6th, 7th, 8th and 10th of August, 1993. This report is dated 15.7.1994. However, in the copy given to the Complainant no date is mentioned, and it was contended that the report was received only in March 1995. As against this incorrect statement the Complainant has produced on record zerox copy of the report which was sent to the National Insurance Co. Ltd. by the Surveyor and the same was received on 20th September 1994. He stated that the stock position in the mill premises was as follows and remarked as under: "Stock Statement: Remarks: 1. Thorough investigation may be called for on the transactions made by the insured as well as cause of fire.'' 2. The insured failed to submit the books of accounts as on the date of my survey. The same were produced on 01.06.1994. 3. Clear statements from the bankers and APSFC, Ongole may be obtained to know the financial position of the insured as on the date of loss. 4. From the available evidences I felt that it is a made up claim. Hence the claim can be repudiated. 5. This report is delayed in submission due to delay in the part of the insured. 6. This report is issued without prejudice. This claim may be settled as shown above terms and conditions of the policy."

Thereafter, final survey report by N.V.P.Sharma Associates (Pvt.) Ltd. is dated 10.4.1995. In the beginning it has been stated that they have submitted preliminary report on 18th August 1993 bringing out the salient features of the claim, recommending an independent investigation, and seeking permission to appoint a Chartered Accountant to verify the insured''s books as the claim appears to be fraudulent. In reply, Hyderabad Regional Office stated that that independent agency was not required to be appointed and there was no need to appoint a Chartered Accountant. For the cause of loss, they have stated as under: "As per the insured''s narration, this fire was attributed to electrical sparking which had been spread to the stocks and thereafter engulfed the entire building, plant and Machinery and stocks placed inside the building. We have examined the premises carefully to identify the cause of fire. Our observations are as under: The fire appeared to have originated in the north West corner of the building where groundnuts and groundnut kernels were stored. The burning of the material in this area was very high indication that the fire load was maximum at this point where there was no electrical wiring. During the course of our investigation, we had inquired with the insured on the following other possibilities of fire: (a) accidental discarding of lighted beedi/cigarette; (b) arson/ sabotage either by business competitors or disgruntled workmen; (c) storage of any dangerous materials other than the stocks. The insured had categorically denied all such possibilities. However, we did not come across any specific evidence to conclude the cause of fire as of electrical origin."

Thereafter, it is held as under: "Even though the final police report attributed the cause of fire to electrical short circuit, we do not subscribe to such a possibility. In pr.5.2 of the report it stated that: "Buildings: Entire machinery hall was affected. The AC Corrugated Sheet of roofing and Mild Steel Roof Trussers were damaged. The brick walls were damaged and had fallen down. The rolling shutters were also badly damaged. The flooring was also badly damaged and required extensive repairs." At pr.6.7.5. of the report it is stated that: "The value at risk at the time of loss is evaluated from our physical inspection of the stocks alone as the books of accounts and stock registers maintained by the insured could not be relied upon." Thereafter, it is observed with regard to stock as under: "Thus, total purchases of groundnuts and kernels during the year is Rs.11,92,274/-. With these purchases the closing stock figure as on the date of loss at the purchase price was at a staggering Rs.16,41,142/- including red chillies worth Rs.1,30,868/-. This was valued by the insured at selling price for Rs.17,31,180/-. Looking at the financial position of the insured and their meagre bank transactions in Vyas Bank, their only bank account, purchase of such large value of stocks in cash looks to be highly improbable. From the balance sheet, it is also noted that the value of sundry creditors as on the date of loss is Rs.11,53,023/- which amounts nearly to the entire purchase of groundnuts and kernels during these four months except for one payment made for Rs.39,251/-. It is difficult to believe that with no financial backing whatsoever the insured was able to get such kind of high credit, that too, from the small farmers".

Thereafter, final summary of loss payable was mentioned as under: Summary of loss payable is as under: However, in conclusion it was stated that: "1. To summarise, in our opinion, the fire did not appear to be accidental as per circumstantial evidence and our own observations. 2. The stocks did not appear to be present to the extent as reported and claimed by the insured. 3. According to us, the claim appeared to be fraudulent and highly inflated and exaggerated. 4. The assessment of loss is made and it is not recommended to be paid."

7. THEREAFTER , Opposite Party No. 1 wrote a letter dated 7.11.95 stating that they have received the final survey report and will take a decision on the claim. Similarly, Opposite Party No. 2 vide letter dated 13.09.05 informed the Complainant that they were yet to receive the survey report. As against this the Learned Counsel for the Complainant submitted that the said statement was an incorrect one, because the report was received by them on 20.09.94 as admitted by the Opposite Party No. 1 in its written statement. It is thereafter pointed out that in order to shield themselves both the Opposite Parties repudiated the claim on the same grounds, on 21.11.1195 (by the National Insurance Co. Ltd.,) and on 3.1.1996 (by the United India Insurance Co. Ltd.) respectively:- 1) That there were no stocks on the premises and the claim is exaggerated. 2) That the cause of fire may not be ''electrical short circuit'' and it could be due to ''complicity'' of the insured petitioner. 3) That the reports of police, fire brigade and Engineer

from State Electricity Board are not to be relied upon. Hence, this complaint. In this complaint, it has been prayed as under:-

"(a). To direct the Respondent No. 1 to pay a sum of Rs.18,60,520/- by way of their liability towards the sum insured under the policies by way of prorata with interest from today till realization being Rs.7,10,000/- towards building machinery, jallies etc. and a sum of Rs.11,50,520/- towards stocks by way of prorata with interest from today till realization; (b). To direct the Respondent No. 1 to pay a liquidate damage of Rs.8,00,000/- towards the failure of rendering service by prorata with interest from today till realization; (c). To direct the first respondent to pay interest on their liability under the Insurance policies at 18% p.a. i.e. from 6.11.1993 till today on account of in-ordinate delay in settling the matter; (d). To direct the 2nd respondent to pay a sum of Rs.5,75,260/- by way of their liability towards the sum insured under the policies by way of prorata with interest from today till realization. (e). To direct the respondent no. 2 to pay a liquidated damages of Rs.4,00,000/- towards the failure of rendering services by prorata with interest from today till realization. (f). To direct the second respondent to pay interest on their liability under the insurance policies at 18% p.a. i.e. from 6.11.1993 till today on account of inordinate delay in settling the matter; (g). For costs of this complaint against both the respondents and for such further or other reliefs which this Hon''ble council deems fit and proper under the circumstances of the case.

Findings:

8. IN our view, the Surveyors have arbitrarily and wrongly doubted the cause of fire. There was no justifiable reason for arriving at the conclusion that fire might not be caused due to electrical short-circuit. It is too much to discard the reports submitted by the Police Officer under Criminal Procedure Code, the Fire Brigade, and the Engineer from the State Electricity Board. Further, admittedly, the fire brigade took nearly 14 hours 20 minutes for extinguishing the fire. After investigation, the Police arrived at the conclusion that it was an accidental fire. Some observations in the preliminary report submitted on 18th August, 1993 were to the effect that the Surveyors have not come across any specific evidence to conclude that the cause of fire was of electrical original would hardly be a ground for holding that cause of fire was not short-circuit. Further, the aforesaid survey report was submitted within the few days of the accidental fire. As against this, final survey report is dated 10.4.1995, i.e. virtually after a lapse of two years of the date of accident. Similarly, the report of Mr.Varaha Samy was not made available to the Complainant, but it was disclosed only in March, 1995. In our view, these reports cannot be relied upon. For Mr.Varaha Swamy''s report it has been contended that it is a manipulated document. Varaha Swamy visited the premises on 7th August, 1993 and left the place within half-an-hour; has not submitted any report for a period of 14 months, and has submitted an undated report to the Respondent No.1 instead of Respondent No.2 who had appointed him as the Surveyor. It is also pointed out that an incorrect statement was made

in the said report to the effect that he had visited the site of fire on 5th August, 1993, while the fire accident took place at 7.00 am on 6th August, 1993. It is also pointed out that Respondent No.1, M/s.National Insurance Co. Ltd. appointed one investigator, M/s.Deshpandey and Associates who had also submitted his report. But, its findings are not disclosed; presumably the findings were against the interest of the Insurance Company. In our view, therefore, there was no justifiable ground for holding that the fire was not accidental one but was an engineered one. In this view of the matter, repudiation of the claim is totally unjustifiable. Quantum of damages: Next question is - what loss was suffered by the Complainant? Stock of groundnut, etc. As per the initial survey report the entire machinery hall was affected. The AC corrugated sheet roof and mild steel roof trusses were damaged. The brick wall was damaged and fallen down. The rolling shutters were also badly damaged. Plant and machinery was also seen by the surveyor in a totally damaged condition. It is also mentioned that the stock consisting of groundnuts, groundnut kernels, groundnut oil, groundnut cake and red chillies was brunt in various degrees in the fire. The said stocks were further damaged by the water used in fire fighting. This preliminary report is on the basis of the immediate inspection made on 7.8.1993 of the mill premises. In our view, there is no reason to doubt the said report. The next step, therefore, is whether the assessment of loss by the surveyors is justified? For this purpose, we would, at the out set, mention that in the preliminary survey, the surveyor has recommended that a provision be made for Rs.18 lakhs and with regard to the remaining loss the United Indian Insurance Co. Ltd. would also contribute towards the loss of stock. Therefore, we have to find out what was the actual value of stock on the day of accidental fire.

9. FOR this purpose, reliance is placed upon the accounts maintained by the Complainant. It has been pointed out that the said account book was verified by the Divisional Manager of the Insurance Co. along with the Development Officer and other staff who visited the factory premises on 7th August, 1993. This fact is not denied by the Insurance Company despite repeated adjournments. Further the same is reflected in the survey report dated 18.8.1993. As per the say of the Complainant, in the books of accounts, on the day of fire, the value of the stock was Rs.17,31,180/-. For this purpose, the Complainant has produced on record clinching evidence of purchase of the groundnut from the agricultural market yard supported by bills along with Form-C having the stamp of Supply Officer, Prakasam District. There was no justifiable ground for rejecting these bills. Further, there was no justifiable reason to disbelieve the Complainant when he has stated that the Divisional Manager of the Insurance Co. along with the Development Officer and other staff visited the factory premises on 7th August, 1993, i.e. on the next day of the fire, verified his account books and initialed the same. This statement was made in the complaint and in the affidavit, but is not denied at any point of time by the Insurance Co. Further, in the midst of the part-heard matter at the request of the learned Counsel for the Insurance Company we gave further opportunity to the Insurance Company to produce any evidence

in rebuttal. But, nothing was done by the Insurance Company. Further, even the Surveyors in their final report have mentioned that from the balance-sheet it was noted that the value of sundry creditors as on the date of the loss was Rs.11,53,023/- which amounts nearly to the entire purchase of the ground nuts and kernels during the four months. There was no ground for doubting this and stating that as it is not purchased by paying cash, such purchases are not reliable. It is illogical to hold that businessman cannot purchase stock on credit. This also ignores the bills produced by the Complainant bearing the Supply Officer''s seal. In our view, this submission, on the contrary, supports the contention of the complainant that the stock was worth Rs.17 lakhs on the date of incident. No doubt the amount more than Rs.11 lakhs remained to be paid to the sundry creditors.

10. DESPITE the aforesaid accounts, the Surveyors have assessed the value of the stock at Rs.1,67,640. This in our view is absurd. After assessing at the aforesaid amount, the Surveyors have apportioned the same between the National Insurance Company Ltd, and the United India Insurance Co. Ltd. at Rs.1,06,400/- and Rs.61,240/- respectively. In this view of the matter, we hold that the National Insurance Company Ltd., and the United India Insurance Company ltd., should reimburse the complainant the damages suffered by the Complainant due to loss of the stock of Rs.17,25,780/-. For the aforesaid stock of groundnut, chillies, the Complainant has taken an insurance policy from the Respondent No.1 for a sum of Rs.13,00,000/- and from the Respondent No.2, for a sum of Rs.6,50,000/-. In proportion to the insurance policies taken by the Complainant, we would apportion the liability of the Respondent No.1 and the Respondent No.2 in the ratio of 2:1, i.e. the Respondent No.1, M/s. National Insurance Company Ltd. would pay the Complainant Rs.11,50,520; and the Respondent No.2, M/s. United India Insurance Co. Ltd. would pay Rs.5,75,260/-. Building: With regard to buildings, the entire machinery hall was affected. The AC Corrugated Sheet of roofing and Mild Steel Roof Trussers were damaged. The brick walls were damaged and had fallen down. The rolling shutters were also badly damaged. The flooring was also badly damaged and required extensive repairs. Thereafter, Surveyors assessed the loss at Rs.2,72,644/-. We have no other material to vary the same.

Plant & Machinery: In the preliminary report the Surveyor Mr. N.V.P. Sharma who visited the factory premises, has stated that a decordicator, an oil expeller, a filter press and a baby boiler along with motors and electricals were found erected in position inside the mill premises; at this juncture, all of them seem to be totally damaged. In the final survey report also it has been stated that the entire machinery hall was affected. In view of the aforesaid findings there was no reason to arrive at the conclusion that the damage to the plant and machinery was only to the extent of Rs.67,000/-. The Complainant has claimed Rs.4,10,000/- and that is based on the vouchers for purchase of the machinery. This machinery was purchased by taking loan from Andhra Pradesh State Financial Corporation. The Complainant has pointed out that the market value of decertigator and jallies is Rs.2,50,000/-, but claim is made for a sum of Rs.2,10.2, ,000/-. Similarly, the market value of expeller is Rs.2,50,000, but value claimed is Rs.2,00,000 and the insured amount is also Rs.2,00,000/-. Hence, we hold that the Complainant is entitled to have Rs.4,10,000/- for the damages to the plant and machinery.

11. IN this view of the matter, the summary of loss payable as assessed by the Surveyors is modified as under: In the result, the complaint is allowed. M/s. National Insurance Co. Ltd, Respondent No.1, is directed to pay to the Respondent a sum of Rs.4,10,000/- instead of Rs.67,556/-, for the damages to the plant and machinery. It is also directed that for the damages and loss to the stock, M/s. National Insurance Co. Ltd., Respondent No.1, is directed to pay Rs.11,50,520/- and the United India Insurance Co. Ltd., Respondent No.2, is directed to pay Rs.5,75,260/- to the Complainant. The aforesaid amounts shall be paid with interest at the rate of 9% p.a. from six months after the date of the accidental fire, i.e. the interest shall run from 7.2.1994 till its payment. No doubt, it was contended by the Complainant that the Complainant is required to pay interest at much more higher rate to its creditors including Andhra Pradesh State Financial Corporation. The Insurance Company shall pay costs quantified at Rs.25,000/-. The complaint stands disposed of accordingly.

