
(1994) 05 NCDRC CK 0024

In the National Consumer Disputes Redressal Commission

TECHNICAL ASSOCIATES INDUSTRIES LTD.

APPELLANT

Vs

UNITED INDIA INSURANCE CO. LTD.

RESPONDENT

Date of Decision : 11-05-1994

Acts Referred:

Citation : 1994 0 NCDRC 104 : 1994 2 CPJ 119 : 1995 2 CLT 395

Hon'ble Judges : V.BALAKRISHNA ERADI , Y.KRISHAN , B.S.YADAV J.

Advocate : R.K.AGARWAL , K.L.NANDWANI

Judgement

1. IT is unnecessary for us to go into merits of this case and set out in detail the facts. It will suffice to mention that the claim was preferred by the insured as early as in the year 1989 which still remains undisposed of. During the pendency of the present proceedings before this Commission the Insurance Company by its letter dated 28.9.1993 has offered a sum of Rs. 9,01,450/- to be Complainant as against the claim of exceeding Rs. 12 lakhs which the claimant put forward before the insurer. Though the Complainant who is under severe financial stress, has sent a receipt forwarded to the Insurance Company, the Insurance Company did not act on that receipt and it has not made payment so far.

2. ON the contrary it insisted that the present complaint petition should be withdrawn as a condition precedent to any payment being made to the Complainant. In the circumstances we cannot tie down the Complainant to the receipt which he has merely forwarded to the Insurer but was not acted upon by the latter. There has been no satisfactory explanation for the inordinate delay on the part of the Insurer in settling the claim and this amounts to clear deficiency in service on its part. In the circumstances we are of the view that the Insurer is bound to compensate the Complainant for the inconvenience and harassment caused to him on account of the delay in settling the claim by awarding him interest at 15 % p.a. on the sum of Rs. 9,01,450/- for the period of two-and-half-years which we calculate as the period of delay after taking into account the fact that the original survey was unfortunately disowned by the Surveyor who had made the survey. The amount of Rs. 9,01,450/- together with interest thereon at

15 per cent per annum for the period of two-and-half-years ending with this date and also future interest at 18 % per annum till date of actual payment shall be payable by the Insurer to the Complainant within a period of six weeks from today. The Original Petition is disposed of as above. The parties will bear their respective costs.