(1992) 12 NCDRC CK 0040

In the National Consumer Disputes Redressal Commission

United India Insurance Co. Ltd. APPELLANT

Vs

GLOBE TRACTORS (AGENCIES) RESPONDENT

Date of Decision : 23-12-1992

Acts Referred:

Citation : 1992 3 CPJ 453 : 1993 0 CPC 473

Hon'ble Judges : S.S.Sandhawalia , Basanti Devi , S.Kulwant Singh J.

Final Decision : Appeal dismissed

Judgement

1. THE United India Insurance Company Limited appeals against the order of the District Forum, Karnal directing it to compensate the respondent by disbursing to him the entire amount of loss as a result of accident damage to his insured vehicle.

2. THE facts lie in a narrow compass and are not in serious dispute. Admittedly the appellant Company had issued the insurance policy in favour of the respondent in respect of his Swaraj Mazda vehicle from the 8th of March, 1991 to 7th of March, 1992. It was the respondent''s claim that the said vehicle was registered as a public carrier and the insurers were duly informed that it was being used as a publicity van. THE vehicle met with an accident on the 8th of June, 1991 resulting in sizeable damage thereto. Inevitably, the respondent lodged the claim with the insurers after completing all the requisite formalities including the inspection of the vehicle by the surveyor who had duly assessed the loss etc. Nevertheless, the appellant Insurance Company repudiated the claim on frivolous grounds. The appellants in defence set up the plea that the insured vehicle was being used contrary to the permitted conditions. The case sought to be set up was that the vehicle was registered as a public carrier, but by concealing that fact, it was got insured as a publicity van and was being used as such at the time of accident. The jurisdiction of the District Forum to take cognizance of the dispute was also challenged on the ground that once the insurance claim was repudiated by the appellant Company, the matter was beyond the pale of the consumer jurisdiction.

The parties adduced evidence in support of their respective cases and, placed the relevant material on record. On an appraisal thereof, the District Forum came to a categoric conclusion that the respondent''s claim was repudiated on flimsy and non-existent grounds, consequently, they could not escape liability by summarily and arbitrarily rejecting the insurance claim. Relief was consequently awarded in the terms noticed at the very out-set.

3. MR. Ravinder Arora, the learned Counsel for the appellant apparently bereft of any other meaningful contention, had first placed reliance on I (1992) CPJ 257 (NC) ''M/s. Pushkar Woolens (P) Ltd. v. National Insurance Company Ltd.'' Somewhat tenuously, it was contended on that basis that the appellant-Company having repudiated the claim, the District Forum had no jurisdiction to entertain the complaint. We are unable to find any merit in the aforesaid contention. A perusal of the very short order recorded in affirmance by the National Commission in M/s. Pushkar Woollens (P) Ltd. v. National Insurance Company Ltd. (supra) would make it manifest that the same does not in the least aid or advance the appellant''s case. Therein the National Commission had in a few lines up-held the majority view of the State Commission, dismissing the consumer''s claim. One fails to see how the said case is even remotely attracted to the present situation.

4. MR. Arora had then contended that the vehicle was being used contrary to the terms of the insurance policy. The submission was that the vehicle was registered as a public carrier and was being used as a publicity van at the time of accident and, therefore, the claim was rightly repudiated. The submission aforesaid has to be only noticed and rejected. It is common ground that the Swaraj Mazda vehicle was registered as a public carrier. Equally, it is not in dispute that the same was hired out to M/s Enfield India Limited for their publicity purposes. It is manifest from the record that apart from'' this the respondent had in the clearest terms informed the Insurance Company that the said vehicle was being used as a publicity van. In this situation, one fails to see as to how the respondents had in any way contravened the terms of the policy. Learned Counsel for the appellant even when pointedly asked, could not pin-point anything to the effect that publicity vans have to be separately or exclusively insured as such. The District Forum was, therefore, eminently right that herein the alleged repudiation was on flimsy and non-existent grounds which reflected a patent deficiency in the insurance services, which the appellant had undertaken to render. No other argument was addressed. Finding no merit in this appeal, we dismiss the same with costs which are assessed at a sum of Rs. 500/- only. Appeal dismissed.