(2003) 06 NCDRC CK 0051

In the National Consumer Disputes Redressal Commission

United India Insurance Co. Ltd. APPELLANT

Vs

Lala RESPONDENT

Date of Decision : 02-06-2003

Acts Referred:

Citation : 2003 3 CLT 700 : 2003 4 CPJ 190

Hon'ble Judges : M.A.A.Khan , Sushma Tanwar J.

Final Decision : Appeal allowed

Judgement

1. LALA, the respondent-complainant, had obtained a loan of Rs. 3,000/- from Rajasthan Bank Ltd., Branch at Salumber, District Udaipur in the year 1983 and purchased a she-buffalo therewith. The Bank had obtained an "animal insurance policy" for Rs. 3,000/- from the appellant Insurance Company in respect of the said animal for the period from 29.11.1983 to 28.11.1984. The insured animal, however, died on 11.3.1984, within two months after obtaining the loan by the respondent. The respondent preferred his claim with the Bank and the appellant Company for the payment of the assured sum, but his claim was neither accepted nor repudiated by the appellant Company during a period extending over a decade. The respondent, therefore, approached the District Forum, Udaipur for appropriate relief.

2. ALTHOUGH the appellant Company vehemently opposed the maintainability of highly belated complaint by the respondent, but the District Forum held the same to be within limitation and decreed respondent claim against the appellant Company for Rs. 3,000/- payable with interest @ 18% p.a. from the date of filing the complaint on 25.11.1994 and cost at Rs. 500/-. Hence this appeal by the opposite party to Complaint No. 530/1994 decided on 15.11.1995. Heard the learned Counsel for the parties and studied the principles of law applicable to the facts of the instant case. It is evident that the cause of action to claim the sum assured from the appellant Insurance Company had accrued in favour of the respondent on the death of the insured animal on 11.3.1984. But the complaint was undisputedly filed before the District Forum as late as on 25.11.1994. On the

face of it, it was hopelessly time-barred as per provisions Section 24-A of the Consumer Protection Act, 1986 (the ''Act'') and the principles of law laid down by the Hon''ble Supreme Court in the case of I.P.K. Ram Chandran v. State of Kerala & Ors., AIR 1998 SC 2276 wherein their Lordships observed that : "Law of limitation may harshly affect a particular party but it has to be applied with all its rigours when the statutes so prescribe and the Courts have no power to extend the period of limitation on equaitable grounds."

The same view appears to have also been taken by the National Commission in the case of Burjor B. Mehta, v. National Insurance Co., I (1992) CPJ 40 (N.C.).

3. IN view of the above settled position of law on the point on hand, the impugned order has to be set aside. IN our opinion, the letters written by the Rajasthan Bank to the appellant INsurance Company in the year 1989 and thereafer in 1991, requesting the appellant to settle rerspondent''s claim and the appellant persistently asserting that it was not in possession of any record, pertaining to such claim, after the expiry of about 10 years, does not go to extend the period of limitation prescribed by Section 24A of the Act for filing the complaint. IN the result, the impugned order is set aside, the appeal allowed and the complaint of the respondent dismissed with cost on parties throughout. Appeal allowed.