

TUBATI RANGARAO Vs United India Insurance Co. Ltd.

Court: NATIONAL CONSUMER DISPUTES REDRESSAL COMMISSION

Date of Decision: April 9, 1993

Citation: 1993 3 CPJ 1765

Hon'ble Judges: A.Venkatarami Reddy , Venkateswara Rao , J.Ananda Lakshmi J.

Final Decision: Appeal allowed in part

Judgement

1. ACCORDING to the complainant, who is appellant in this appeal, he raised Gogu sticks in an extent of Ac. 15.00 in Turlapadu village and

insured his crop of Gogu sticks from 20.5.1986 to 20.8.1986 for a sum of Rs. 70,000/- and paid premium. A fire accident occurred on 5.6.86 in

which the insured's Gogu sticks were burnt. He informed the said fire accident and the lost of the property to the Insurance Company on 5.6.86

and a Surveyor was appointed on 6.6.86. He submitted his report on 12.8.87 estimating the probable loss at Rs. 18,500/-. As the Insurance

Company repudiated the claim, the complaint approached the District Forum with a complaint.

2. THE District Forum on consideration of the evidence found that the fire was due to accident and that the insurance policy covers the risk of fire.

It therefore held that the repudiation by the Insurance Company is unreasonable and arbitrary. But, on the question of quantum of damages it did

not rely on the evidence of P.Ws. 1 to 3 as to the yield per each acre and the rate at Rs. 500/- per quintal in the absence of any documentary

evidence produced by the complainant to show the extent of the yield and rate per quintal on the date of accident. On the other hand it relied on

the Surveyor's report who was examined as R.W.2 Ex. B.2 the letter written in hand writing of the complainant himself stating that the loss is Rs.

18,500/-. It therefore accepted the evidence of R.W. 2 coupled with the letter written by the complainant and came to the conclusion that the loss

suffered is Rs. 18,500/- and accordingly directed payment of the said amount with interest at 12% p.a. on the said amount from 29.4.89 till the

date of payment.

In this appeal preferred by the complainant, it is firstly submitted by the learned Counsel for the appellant that the District Forum ought not have

relied on Ex. B.2 and on the evidence of the Surveyor, R.W.2 and the Surveyor's report. It ought to have relied on P.Ws. 1 to 3. We are not

inclined to accept the aforesaid contention. P.Ws. 1 to 3 produced no documentary evidence to establish the yield per acre, and the price of the

jute per quintal as on the date of accident. On the other hand, the Surveyor in his report clearly mentioned the consideration and the material on

which he came to the conclusion that the loss was Rs. 18,500/-. In addition to the report, the complainant himself gave a statement, Ex. B.2, in his

own hand writing to the Surveyor stating that the loss is Rs. 18,500/-. In the cross-examination of R.W. 2 nothing was suggested to him about Ex.

B.2. In fact no question was asked relating to Ex. B.2 in his cross-examination. In these circumstances, we are inclined to believe the evidence of

R.W. 2 which is supported by Ex. B.2 and hold that the order of the District Forum is arriving at the loss at Rs. 18,500/- is correct.

With regard to awarding of interest, the District Forum gave interest from the date of filing of the complaint before it. But the claim was made to the

Insurance Company by the complainant as early as on 12.7.86. We are of the view that the complainant is entitled to interest on the amount of Rs.

18,500/- from the date he preferred claim to the Insurance Company. We accordingly direct that the respondent shall pay the complainant interest

at 12% p.a. from 12.7.86. Since the amount as directed by the District Forum was paid by the Insurance Company to the complainant we direct

the difference in interest shall be paid by the Insurance Company to the complainant within two months from the date of the receipt of the order.

Accordingly the appeal is allowed in part. No costs. Appeal allowed in part.