Life Insurance Corporation of India Vs Prakash Chand

None

Court: NATIONAL CONSUMER DISPUTES REDRESSAL COMMISSION

Date of Decision: Aug. 20, 2001

Citation: 2002 1 CPJ 338

Hon'ble Judges: K.C.Bhargava , D.D.Bahuguna , Senior , Rachna J.

Final Decision: Appeal dismissed

Judgement

1. THIS is an apeal against the judgment and order dated 16.5.1997 passed by District Consumer Forum, Muzaffarnagar in Complaint Case No.

486/1993.

2. THE facts of the case stated in brief are that the complainants filed this complaint with the allegation that they are the parents of Ravindra

Kumar. THEy received a letter from Divisional Office of the Life Insurance Corporation of India dated 1.9.1993 by which it was disclosed that

Ravindra Kumar got himself insured for his life at Roorkee Branch of L.I.C. the policy number of which was 250488596. THE premium had

already been paid by Ravindra Kumar. Ravindra Kumar on 4.5.1991 was murdered by one Hansveer Tyagi and another person. A case under

Section 302, I.P.C. was instituted against those persons. From the letter of Divisional Office dated 1.9.1993 it was disclosed that the policy has

lapsed on 28.6.1991 but as Ravindra Kumar had died before this date, therefore, the policy remained alive. THE appellants are entitled to get the

claim as they are the nominees of Sri Ravindra Kumar. THE complainant issued a notice to the Life Insurance Corporation of India on 21.10.1993

but no reply was given, hence this case was filed.

The opposite party in its written version has alleged that the policy had lapsed as Ravindra Kumar who had given a cheque of Rs. 1,920/- towards

the payment of first premium was dishonoured, therefore, the policy stood lapsed.

The parties led evidence in support of their respective contentions before the learned District Forum, who after considering the case of the parties,

came to the conclusion that there was deficiency in service on behalf of the Life Insurance Corporation of India. It, therefore, decreed the claim of

Rs. 1,00,000/- along with interest at the rate of 12% per annum with effect from 4.5.1991 till the date of payment.

3. AGGRIEVED against this order, the opposite party, Life Insurance Corporation of India has come in appeal and has challenged the correctness

of the order passed by learned District Consumer Forum.

We have heard the learned Counsels for the parties. The learned Counsel for the appellant, Insurance Company has argued that the cheque of Rs.

1,920/- which was issued by Ravindra Kumar was dishonoured and as such the policy was never issued and never came into operation.

According to the learned Counsel, therefore, the Insurance Company is not liable to pay any amount. In connection with this argument of the

learned Counsel it will be useful to mention that the complainant had received a letter dated 1.9.1993 from the Divisional Office of the Insurance

Company. A perusal of this letter goes to show that the policy taken by Ravindra Kumar has lapsed for non-payment of the amount of the

premium. It also mentioned the premium which was due to be paid, the actual interest less concession and the gross amount required for revival. It

was also mentioned that for further details, Branch Office at Life Insurance Corporation of India, 200 Civil Lines, Roorkee has to be contacted.

Thus perusal of this letter clearly goes to show that this policy stood lapsed with effect from 28.6.1991 because the premium which was due to be

paid on 28.6.1991 has not been paid. This also means that the initial payment about which it has been said by the learned Counsel for the appellant

the cheque of Rs. 1,920/- was bounced. If the cheque had bounced then this notice would not have been issued to the present complainants who

are the parents of Ravindra Kumar. It has been tried to show that the numbers were fed into the Computer and this notice was generated by the

Computer. The details in the Computer can only be fed when the policy is issued. If no policy is issued then the details would not have been fed

into the Computer. The Insurance Company has not filed the policy in order to show whether the policy which was issued pending encashment of

the cheque was cancelled or not. It has been mentioned in the para 11 of the written statement that the policy which was issued in advance in

anticipation of the amount of cheque being realised was cancelled and due intimation was sent to Sri Ravinder Kumar at his address. This allegation

of the appellant cannot be relied upon. There is no document on record to show that any letter was issued to Ravindra Kumar. If any such letter

was issued then a copy of it could have been filed and the despatch number, etc. by which it was despatched could have also been filed.

4. A receipt must have also been issued when this cheque was issued to Ravindra Kumar. A copy of that receipt could have been filed to show

that the payment of the amount was made by Ravindra Kumar through the cheque which is said to have been dishonoured. Non-production of

receipt also also goes against the case of the appellant and adverse inference can be drawn against the case of appellant. A photo-copy of the

cheque of Rs. 5,362/- dated 19.3.1991 signed by one Ramesh Chandra has been filed. Even according to the allegation of appellant, Ravindra

Kumar had issued a cheque of Rs. 1,920/-, therefore, the copy of the cheque which has been filed by the appellant cannot be related to the policy

of Ravindra Kumar. Who is this Ramesh Chandra, who has signed this cheque has also not been explained. There is nothing on record to show

that Ravindra Kumar had no account in the Bank and did not issue cheque from his own account. There is a letter dated 27.7.1991 issued by the

Insurance Company to Ravindra Kumar regarding the proposal in which it is written that Cheque No. 5703 dated 19.3.1991 for Rs. 1,924/- in

payment of advance against 1st premium in respect of the policy stands dishonoured and has been returned by your Banker. Some compliance

was mentioned in it. The copy of cheque which has been filed bearing number 5703 which also does not tally with the cheque number given in this

letter. The amount mentioned in this letter is Rs. 1,924/- while according to own case of the appellant the cheque issued was for Rs. 1,920/-. This

has not been explained by the appellant. In para 11 of the written statement the amount of cheque is written as Rs. 1,920/-, therefore, in the letter

the amount mentioned as Rs. 1,924/- relates to some other person and does not relate to Ravindra Kumar.

There is one more thing which has to be mentioned. The cheque is alleged to be dated 19.3.1991 which was deposited by the Insurance Company

but this cheque was returned on 15.6.1991. The delay in dishonouring the cheque has not been explained by the Insurance Company. There is a

letter dated 30.8.1991 in which it has been mentioned that the cheque has been dishonoured on account of insufficient fund. This letter does not

relate to the complainant but is addressed to one Ishwar Singh S/o M.R. Singh whose cheque was Rs. 5,704/-. This letter does not relate to the

complainant and has been unnecessarily filed. The learned Counsel for the appellant has also placed before us certain photo-copies of register in

order to show that the cheque was dishonoured. No reliance can be placed on these entries because they have been made by the appellant itself.

Even the above discussion goes to show that the Life Insurance Corporation of India has filed certain papers which might have been prepared by

its officer later on in order to defeat the just claim of the complainant. The copy of cheque of Rs. 5,362/- signed by one Ramesh Chandra does not

relate to the son of the complainants.

Thus in view of the discussions made above, the appellant has utterly failed to prove its case. The judgment and order of the learned District Forum

are perfectly correct and require no interference. The appeal is liable to be dismissed. ORDER

5. THE appeal is dismissed. THE judgment and order of the learned District Forum are confirmed. THE appellant shall pay a sum of Rs. 2,000/-

as cost to the complainant. Let compliance of this order be made within a period of two months from the date of this order. Let copy of this order

be made available to the parties as per rules. Appeal dismissed.