

Arihant Industries & Anr

V/S

United India Insurance Co. Ltd

Case No –First Appeal No 727 of 2015

Decided on 4.1.2021

Legal Point-Whether Consumer Complaint can be made after full and final settlement done.

Facts:

Arihant Industries got “Standard Fire and Special Perils” Insurance Policies for stocks of cotton and plant machinery etc. Factory met with fire incident on 29.3.2009 .Huge stock of cotton got damaged. Accident reported to police as well as insurance company .Company appointed surveyor Mr. J C bhansali who assessed loss to the tune of rs3292525/- m/s charter house detective services were also appointed by insurance company to ascertain the actual loss, they also submitted their report after investigation .Police also submitted their findings that fire was accidental .The insurance company who is opposite party in this case offered the complainant a settlement of Rs 3972829/- as full and final settlement on 22.3.2012 though complainant claims he suffered actual loss of Rs 9945286/- As a part of settlement complainant was made to execute an indemnity and discharge vouchers bond in favour of insurance company.

Complainant states now that he had accepted the settlement under protest. He also states that he was facing financial difficulties and insurance company was not giving claim without signing the bonds. Therefore he accepted the settlement under protest .Alleging deficiency in services, complainant filed before case before the state commission of Maharashtra with prayer –

- Direction to insurance to pay Rs 5972457/- being the amount due with interest @15%
- Compensation Rs 10 Lacs with cost.

Case contested by insurance company with their rebuttal to the claim –

- Though no cause of fire could be ascertained through appointed agencies i.e.CID inquiry/police investigation District collector of Aurangabad also appointed a committee .Since it was taking too long ,company decided to settle the claim as per surveyors assessment
- Complainant had executed the bond, signed the voucher and accepted the settlement. Hence barred to raise the issue after laps of more than two years

State commission dismissed the complaint

Matter now in appeal before the National Commission

The question before the commission is now as to whether complainant received money Rs 3972829/ as full and final settlement or under protest pending investigation

Allegations by insured company-

- Insurance company had told that money will not be paid to him unless vouchers signed; hence he had to sign under undue influence and coercion.
- An indemnity bond signed by insured agreeing to indemnify the insurance company in case of adverse finding. This shows settlement was not final but was subject to final result of investigation into cause of fire.

Observation by National Commission

Though it is settled law that signing of vouchers does not bar the complainant to file complaint. But for setting aside the settlement which is full and final, undue influence is to be proved in the present case conduct of the complainant does not show any specific contention or cogent evidence to prove any influence on the insured. He had not raised any objection while signing the vouchers or Bond .He also could not prove through any documents or any other material on record that he had met with a loss of Rs 9945286/-due to fire break It is admitted fact that a committee was formed for investigation into the cause of fire by District collector of Aurangabad. Since it was taking long and insurance had offered the amount as assessed by registered surveyor of the company to the tune of Rs 9945286/- and this was accepted by Arihant Industries. Complainant has also said in the complaint that he was facing financial difficulties and it is the natural outcome that industry willingly accepted the offer. No objection or demand was raised thereafter for long two years and commission found it afterthought exercise

Keeping in view the above observations, Commission dismissed the appeal having no merits in the case.

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