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insurance companies should not insist on First Information Reports (FIR) for processing claims. The

court also slapped a fine of Rs.30,000 on the United India Insurance Company Ltd.

The Delhi State Consumer Disputes Redressal Commission, while ruling that non-production of an

FIR could not be the basis for rejecting a claim, held that there is no difference between an FIR and

a simple complaint filed with the police.

Justice J.D Kapoor, pulling up United India Insurance Company, said: "It is a misconceived notion

that the insurance policy covering the risk of theft of household articles or any other goods is not

identifiable unless the person produce copy of the FIR. Whenever any occurrence like theft occurs

and a person approaches the police, it is the police, which is in the dominating position whether to

convert the complaint into FIR or into a Daily Diary."

Justice Kapoor said that insurance companies are only concerned whether the claim filed by the

insured is based on correct facts or not and, therefore, they have no right to insist on production of

an FIR. If the report lodged with the police establishes occurrence of theft or loss by way of theft, it

should hold good.

"Insurance companies have no option than to act upon the result of the investigation by the police

and cannot appoint an investigator on its own to start its parallel investigation," said Kapoor.

Kapoor was ruling on a case pertaining to one Subhash Chander Khanna, who had gone to a

cinema at Jaipur where his purse was stolen. He immediately lodged a complaint with the Jaipur

police and when he filed an insurance claim, the company insisted on a copy of the FIR.

Though he approached the police authorities at Jaipur for a copy of the FIR, he was issued only a

stamped untraced certificate. The insurance company did not entertain the claim by insisting that he

produce a copy of the FIR.

When his claim was not settled, he sent a letter to the insurance company that it could send its own investigator or write to the police to confirm the facts.

Justice Kapoor said that since there was no material with the insurance company falsifying the

occurrence of theft, it was liable to entertain the claim. It ordered the company to pay compensation

for causing Khanna mental agony, harassment and cost of proceedings.

- *Indo*