

# **SUPREME COURT OF INDIA**

Oriental Insurance Co. Ltd.

Vs.

Mantora Oil Products Pvt. Ltd.

(S.Saghir Ahmad and R.P.Sethi JJ.)

21.07.1999

## **ORDER**

The Text below is only a summarized version of the order pronounced

The respondent company who dealt in oil products took insurance policies with appellant in order to protect itself against losses due to accidents, theft, pilferage, non-delivery etc., occurring in the course of transit. One of the conditions of the policy was if the value of the total quantity of oil transported fell short of Rs 17. 10 crores during the period of policy, the appellant would refund to the respondent the proportionate premium on the amount of shortfall in the quantity transported. And when the period of policy expired on demanding the refund the appellant refused to refund on the ground that the premium charged by the appellant from the respondent was less than what it ought to have been charged. But National Consumer Disputes Redressal Commission accepted the claim of the respondent and on appeal to Supreme Court from the Order of the commission it was held that after having received the benefit under the policy of insurance from the respondent by way of premium, it is not open to the appellant to contend that there was a mistake on their part in charging the premium at a rate lower than the rate at which it should have been charged by them and thereby ordered refund of the extra premium in terms of the policy.