IN THE HIGH COURT OF PUNJAB AND HARYANA
AT CHANDIGARH

CWP No. 2658 of 2016 (O&M)
Date of decision: 10.2.2016

Gaurav Sharma

.. Petitioner

v.

Permanent Lok Adalat and another

.. Respondents

CORAM: HON'BLE MR. JUSTICE RAJESH BINDAL

Present: Mr. Parminder Singh, Advocate for the petitioner.

...

Rajesh Bindal J.

Challenge in the present petition is to the award dated 5.10.2015, passed by Permanent Lok Adalat, Public Utility Services, Karnal, whereby the application filed by the petitioner for refund of the entire amount of ₹ 57,500/- deposited by him till surrender of insurance policy purchased by the petitioner from the respondent-company, was accepted partially.

A perusal of the impugned award shows that the amount refunded to the petitioner is in terms of the conditions of policy, in case, a person purchasing the policy wishes not to continue with the same. The learned Lok Adalat has considered the issue in detail in paragraph 8 of the award, which is extracted below:

> "8. The fact that the petitioner had obtained "Life Long Unit Linked" insurance policy from the respondent for a sum assured of Rs. 4,00,000/- with quarterly premium of Rs. 2500/-, is not in dispute. The policy commenced from 5.7.2007 with maturity date as 5.4.2063. The petitioner did not opt to return

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the policy within the Free Look period of 15 days. After completion of three years of obtaining the policy, under Article 14 of the terms and conditions of the policy if any one surrendered the policy, he was entitled to the surrender value and not the entire amount deposited by him till then. The petitioner cannot be allowed to recover the entire amount deposited by him till he opted for surrender of the policy because during this period the risk of his life was fully covered under the policy. Unfortunately, if the petitioner had expired prior to opting for surrender of the policy, he would have been paid the assured sum under the policy. Hence, on the face of it the claim of the petitioner that he is entitled to get the entire amount of Rs. 57,500/- deposited by him with the respondent as installments, is not sustainable. The stand taken by the respondent that the petitioner is entitled to surrender value of Rs. 28,162/- only as calculated under Article 14 of terms and conditions of the policy, is justified and thus, finding no merit in the petition filed by the petitioner under Section 22 C of the Act we dismiss the same holding that he is entitled to a sum amount of Rs. 28,162/- only as surrender value of the policy on 31.1.2014."

It has not been disputed by learned counsel for the petitioner that the amount as calculated and paid to the petitioner is strictly in terms of the conditions laid down in the policy, in case it is surrendered before expiry.

Considering the aforesaid facts, I do not find any reason to interfere in the present petition. Accordingly, the same is dismissed.

(Rajesh Bindal)
Judge

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