IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH

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1. CWP No.10294 of 2017
Date of Decision: 21.07.2017

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Reliance Nippon Life Insurance Company Limited

….Petitioner

Vs.

Permanent Lok Adalat (Public Utility Services), Patiala and others

….Respondents

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2. CWP No.10298 of 2017

Reliance Nippon Life Insurance Company Limited

….Petitioner

Vs.

Permanent Lok Adalat (Public Utility Services), Patiala and others

….Respondents

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3. CWP No.10347of 2017

Reliance Nippon Life Insurance Company Limited

….Petitioner

Vs.

Permanent Lok Adalat (Public Utility Services), Patiala and others

….Respondents

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CORAM: HON'BLE MR.JUSTICE RAKESH KUMAR JAIN

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

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RAKESH KUMAR JAIN, J.

This order shall dispose of three petitions bearing CWP Nos.10294, 10298 and 10347 of 2017, filed by the Insurance Company against the order passed by the Permanent Lok Adalat (PUS), Patiala by which the applications filed by respondent No.2 under Section

22(C) of the Legal Services Authorities Act, 1987 [for short 'the Act'] have been allowed. However, for the sake of convenience, the facts are being extracted from CWP No.10294 of 2017.

In short, respondent No.2 filed an application under Section 22(C) of the Act before the Permanent Lok Adalat alleging that in the first week of December, 2012, she received a telephone call on her mobile by a person alleging himself as the Manager of the petitioner-company and told that the petitioner has launched a new scheme in which if anyone invest the amount then the company would pay minimum return of 24% per annum for three years and the said amount can be withdrawn at any time i.e. there would be no lock-in period and in that event the company would also pay the same interest of 24% per annum from the date of deposit till withdrawal. According to respondent No.2, the local agent of the petitioner visited her house and allured her to invest a minimum of ₹ 3 lakhs in three different diversified plans and then one advisor, namely, Kiran visited her house to brief the plan as told by the agent of the petitioner and obtained her signatures on three blank performas for the purpose of investment and told her that the FDRs of the scheme would be sent directly by the petitioner within 15 days at her address. Respondent No.2 is stated to have handed over ₹50,000/- in cash to the said agent on 24.12.2012 and after few days she received a letter dated 22.1.2013 regarding "Requirements pending toward your proposal". It is also alleged by respondent No.2 that she called upon the representative of the petitioner that she has not received the complete schedule of FDRs to which she was told that the receipt is equally good as FDR and whenever she required the amount, she may call them. Respondent No.2 has alleged that in the month of August, 2013, she was in dire need of money and immediately called the agent of the petitioner but he told that she can get the amount from the nearest branch of the company. Respondent No.2 visited the office of the petitioner where the concerned person told her that the said receipts are not the FDRs rather the same are the receipts for the policies and as per their record she would have to pay premium for about 7 years regularly and in this regard their office had issued a policy No.50611342. She was also told that she cannot withdraw the amount as it would be payable only after 7 years. Respondent No.2 was not in a position to pay ₹50,000/- per year and asked for refund of her amount which was declined and that resulted into the filing of application before the Permanent Lok Adalat.

On the contrary, the petitioner has denied all the allegations and assertions of respondent No.2 that she was assured to get minimum return of 24% per annum for three years, that she can withdraw the same at any time and that her signatures were obtained on the blank forms. It is also the case of the petitioner that if the applicant was not satisfied with the terms and conditions of the policy, she could have opted for cancellation of the policy within 15 days from the date of receipt of the same. The Permanent Lok Adalat made an effort of conciliation but when nothing came out of it, the case was decided on merits. It has been found that the policy commenced from 9.1.2013. The total installment premium was ₹47,934/- and the sum assured was ₹5,00,000/-. The term of the policy was 14 years which was to expire on 9.1.2027 and the last date of payment of premium is 9.1.2019. The Permanent Lok Adalat had found that the petitioner has not placed on record the alleged proposal form which was allegedly filled by respondent No.2, who has alleged that she has never received any policy documents.

However, it has been found that the petitioner has not placed on record any document to prove that the said policy was actually sent and received by respondent No.2. Therefore, it has been opined by the Permanent Lok Adalat that respondent No.2 was not aware of the terms and conditions of the policy. Thus, it was ordered that respondent No.2 deserves the refund of ₹50,000/- deposited by her.

Learned counsel for the petitioner has argued that the Permanent Lok Adalat had no jurisdiction because respondent No.2 is the resident of Palampur, Himachal Pradesh and the policy was also given to her there but the application has been filed by respondent No.2 at Patiala only on the ground that the office of the petitioner is at Patiala. The issue of territorial jurisdiction is nowhere argued before the Permanent Lok Adalat and it is not permitted to raise now before this Court once the order has been passed even otherwise it is admitted by the petitioner that its office is at Patiala, therefore, respondent No.2 has rightly filed her application before the Permanent Lok Adalat at Patiala. The petitioner has failed to rebut the findings of the Permanent Lok Adalat wherein it has observed that the proposal form was not placed on record which was allegedly filled by respondent No.2 to make her aware about the terms and conditions of the policy as per which there was a lock-in period of seven years rather the case of respondent No.2 is that she was informed by the petitioner through its agent etc. about the lock-in period and it was projected that there is no lock-in period and she would be in a position to withdraw the money deposited by her at any time. The Permanent Lok Adalat has thus rightly observed that respondent No.2 deserves refund of the amount.

In view of the aforesaid discussion, I do not find any merit in the present writ petitions and the same are hereby dismissed.

A photocopy of this order be placed on the file of other connected cases.

(RAKESH KUMAR JAIN)
JUDGE

21.07.2017
Vivek

Whether speaking/reasoned *Yes/No*
Whether reportable *Yes/No*