IN THE HIGH COURT FOR THE STATES OF PUNJAB AND HARYANA AT CHANDIGARH.

CWP No. 21955 of 2015
Date of decision: 23.5.2017

Reliance Life Insurance Company Ltd and anr

Petitioners

vs.

Anup Kumar and anr

Respondents

Present: Mr. Deepak Girotra, Advocate for petitioners
Mr. Ashwani Bhardwaj, Advocate for respondent No.1

M.M.S.BEDI,J.

Vide impugned order dated 5.8.2016 (Annexurte P-5) the Permanent Lok Adalat (PUS), Fatehabad had directed the petitioners to pay a sum of Rs. 5.00 lacs, being the sum insured in the insurance policy and a sum of Rs.10000/- as compensation for mental harassment and expenses of litigation.

Counsel for the petitioners has raised two arguments (i) the Permanent Lok Adalat does not have any jurisdiction to settle the dispute by adjudication and that it has got only authority to get the dispute settled on the basis of compromise; (ii) the true facts having not been disclosed by insured Usha Rani that she was suffering from cervical cancer, no relief could have been granted.

I have heard counsel for the parties and I am of the opinion that the “insurance service” is covered under the ambit of adjudication by the Permanent Lok Adalat as per Section 22 A(b)(vi) of the Legal Services Authority Act (for short 'the Act'). Section 22-C of the Act, no doubt requires the Lok Adalat to take up conciliation proceedings as per Section 22 C (5) but at the same time Section 22-C(8) enables the Permanent Lok Adalat to decide the dispute, if the parties fail to reach at any agreement. In view of the said provisions of law, it is held that the order of the Permanent Lok Adalat is not without jurisdiction.

Coming to the second question of non disclosure of the ailment of the deceased insured, the Permanent Lok Adalat has taken into consideration the circumstances that the insured remained admitted in the hospital from 10.6.2010 to 15.6.2010 but has observed that the said period will not be sufficient enough to attribute knowledge of the disease and intentional concealment, whereas it is also obligatory on part of the petitioners- insurance company to undertake the medical examination of the insured, which, in the present case, had been done on 3.9.2013.

It will not be appropriate for this Court to enter into the controversy whether the medical examination conducted on behalf of the insurance company has to be intensive or casual as counsel for the petitioners has claimed that the intensive medical examination had not been conducted to determine any disease of the insured.

Considering all the circumstances, I do not find any ground to interfere in the impugned order. The writ petition is dismissed.

May 23 ,2017 (M.M.S.BEDI)
TSM JUDGE

Whether speaking/ reasoned Yes/ No

Whether Reportable Yes/ No