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

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CWP No.24733 of 2017
Date of Decision: November 01, 2017

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Aviva Life Insurance Company India Ltd.

. . . . Petitioner

Vs.

Permanent Lok Adalat (PUS), Bhiwani and another

. . . .Respondents

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CORAM: - HON'BLE MR. JUSTICE RAKESH KUMAR JAIN

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Present: Mr.Sanjeev Goyal, Advocate, for the petitioner.

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RAKESH KUMAR JAIN, J. (ORAL)

This petition is filed to challenge the award dated 31.05.2017 passed by the Permanent Lok Adalat (PUS), Bhiwani [for short 'the PLA'] by which the application filed by respondent No.2 has been allowed and the petitioner has been directed to pay the insured amount.

In brief, one Chander Bhan obtained insurance policy No.10239268 dated 16.06.2015 for a sum of ₹10,00,000/- on the payment annual premium of ₹25,000/-. The respondent No.2 is the nominee of Chander Bhan in the insurance policy. It is alleged that Chander Bhan died on 22.7.2015 due to heart failure in his village. Therefore, respondent No.2 made a request for payment of the insured amount but the claim was repudiated vide letter dated 11.2.2016 on the ground of non-disclosure of other life insurance policies of the deceased.

Learned counsel for the petitioner has submitted that the deceased Chander Bhan had obtained life insurance covers of more than

₹12,00,000/- from other insurance companies before obtaining the insurance policy from the petitioner for a sum of ₹10,00,000/-. It is also submitted that the deceased Chander Bhan had obtained the policy online and in the proposal form he did not disclose that he had two more insurance policies of other insurance companies. This argument was also raised before the PLA but the PLA while referring to a decision of this Court in ***"LIC Insurance Corporation Vs. Narinder Kaur Batra and others"*** *(2005) ACC 420* held that non-disclosure of other polices is not the suppression of material facts justifying repudiation of claim by the insurance company.

Learned counsel for the petitioner has relied upon the judgment of the Supreme Court rendered in the case of ***"P.C. Chacko and another*** *Vs.* ***Chairman, Life Insurance Corporation of India and others"*** *2008(1) RCR (Civil) 127* to contend that suppression of material fact would lead to repudiation of the claim. He has also referred to another judgment of the Supreme Court rendered in the case of ***"Satwant Kaur Sandhu*** *Vs.* ***New India Assurance Company Ltd."*** *2009(4) RCR (Civil) 692* canvassing the same point. Further it is argued that the PLA has not complied with the provisions of Section 22-C(7) of the Act, therefore, it failed to follow the due procedure.

I have heard learned counsel for the petitioner and after examining the record, am of the considered opinion that there is no merit in the present petition because learned counsel for the petitioner has failed to point out that there is any bar in obtaining the insurance policy while having the insurance policies from other insurance companies as well. He could not cite any decision contrary to the one rendered in the case of ***Narinder Kaur Batra and others (Supra)*** followed by the PLA. He has rather relied upon the decision in the case of ***P.C. Chacko and another (Supra)*** and ***Satwant Kaur Sandhu (Supra)*** to canvass that the suppression of material fact would lead to repudiation of the claim. The said judgments are not applicable to the facts of this case because in both the cases, there was suppression of pre-ailment which ultimately led to the death whereas in the present case there is no evidence brought on record that the deceased was suffering from any pre-ailment. Rather the case set up by respondent No.2 is that the deceased Chander Bhan died because of heart failure, therefore, the judgments relied upon by counsel for the petitioner is not applicable rather the judgments relied upon by the respondents in the case of ***Narinder Kaur Batra and others (Supra)*** is directly applicable to the facts and circumstances of the present case. Insofar as the other arguments raised by counsel for the petitioner is concerned that the procedure under Section 22-C(7) of the Act is not followed, the PLA has specifically referred to the proceedings having been conducted in terms of Section 22-C(4) to (7) of the Act in para 6 of its order which shows that due procedure has been followed.

No other point has been raised.

In view of the above, there is no merit in the present petition. Hence, the same is hereby dismissed.

(RAKESH KUMAR JAIN)
JUDGE

November 01, 2017
Vivek

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