IN THE HIGH COURT OF PUNJAB & HARYANA AT CHANDIGARH.

CWP No.11533 of 2018
Date of decision: May 15, 2018

Kotak Mahindra Old Mutual Life
Insurance Ltd. & others ...Petitioners

Versus

Easwari Devi & another ...Respondents

CORAM: **HON'BLE MR. JUSTICE RAJAN GUPTA**

Present: Mr. Gagneshwar Walia, Advocate for the petitioners.

Rajan Gupta, J.

Petitioners insurance company has prayed for a writ in the nature of certiorari for quashing of Award dated 15.09.2017, passed by the Permanent Lok Adalat (Public Utility Services), Karnal, allowing the application of respondent No.1 and directing petitioners company to pay Rs.5,20,000/- within a period of 45 days from the date of order, failing which petitioners company would be liable to pay interest @ 12% per annum for the defaulting period.

Order has been challenged by the insurance company on the ground that it was not liable to pay the amount as ordered by respondent No.2, as deceased had already been suffering from tuberculosis. Moreover, the Lok Adalat had no jurisdiction to settle the dispute.

I have heard learned counsel for the petitioners and given careful thought to the facts of the case.

It appears, Rahul son of respondent No.1 had obtained an insurance policy commencing from 10.9.2012. Rahul expired on 18.04.2013, leaving behind respondent No.1 as his legal heir. She applied for claim on account of death of her son with the petitioners company alongwith all relevant documents, but her claim was repudiated by the insurance company. Aggrieved, respondent No.1 Easwari Devi filed application under Section 22-C of the Legal Services Authorities Act, 1987 before Permanent Lok Adalat, Public Utility Services, Karnal. The said Forum, vide order dated 15.09.2017, accepted the application, directing petitioner insurance company to pay a sum of Rs.5,20,000/- to respondent No.1 within a period of 45 days from the date of order, failing which petitioners company would be liable to pay interest @ 12% per annum for the default period. I find no ground to interfere in writ jurisdiction. It is evident that the life of son of respondent No.1 was insured by the petitioners insurance company by issuing insurance a policy commencing from 10.9.2012. When respondent No.1 submitted her claim with the petitioners company, same was repudiated by it without assigning any cogent reason. A perusal of records shows that though son of respondent No.1 was suffering from tuberculosis, but after getting regular treatment, he had been fully cured prior to issuance of insurance policy. So, the insurance company cannot be absolved of its liability to pay the amount of insurance to respondent No.1. The Forum has, thus, rightly directed the petitioners company to pay compensation to respondent No.1, mother of the deceased. The petition is without any merit and is hereby dismissed.

(RAJAN GUPTA)
JUDGE

May 15, 2018
'Rajpal'

Whether speaking / reasoned Yes / No

Whether Reportable: Yes / No