IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH

RSA No.625 of 2018(O&M)
Date of Decision: 30.01.2018

Haryana State Co-op. Housing Federation ... Appellant

Versus

Shamsher Singh & ors. ... Respondents

CORAM:- HON'BLE MR. JUSTICE RAMENDRA JAIN

Present: Mr. Satyawan Ahlawat, Advocate,
for the appellant.

RAMENDRA JAIN, J.(Oral)

Defendant No.2 has filed the instant regular second appeal, against the judgment and decree dated 17.07.2017 of the First Appellate Court reversing the judgment and decree of the trial Court dated 26.07.2013, whereby suit for injunction of the respondents-plaintiff was dismissed.

Put pithily, the father of respondents No.1 to 4 namely Ranbir Singh obtained a house loan of ₹1,00,000/- from the appellant-society, to be payable in 20 years in monthly instalments of ₹4,294/- each. However, after paying four instalments, borrower Ranbir Singh died on 15.05.2001, leaving behind respondents No.1 to 4 as legal heirs, who were legally entitled for the death claim of their father amounting to ₹99,326/-. Therefore, they without, any delay submitted the claim form along with the requisite death certificate and papers to the appellant-society, but the same was not settled even after elapsing of more than 5 years.

Consequently, respondents No.1 to 4 got served a legal notice dated 21.06.2006 upon the appellant under Section 124 of the Haryana Co-operative Societies Act, asking the appellant to adjust the death claim of ₹99,326/- and exonerate and exempt them from any liability of payment of any instalment and interest thereon.

In response to the said legal notice, the appellant-society raised a demand of ₹17,956/- from respondents no.1 to 4, which included the share money of ₹8,000/-. The said amount was not paid by the respondents-plaintiff. Therefore, in they year 2010, the appellant-society raised a demand of ₹2,20,526.98 paise from respondents No.1 to 4 against which they filed a suit for injunction against the appellant-society.

The trial Court after holding trial, dismissed the suit vide judgment and decree dated 26.07.2013.

Being aggrieved, respondents No.1 to 4 preferred an appeal before the First Appellate Court, which was accepted, thereby restraining the appellant-society from recovering any amount from respondents No.1 to 4 beyond ₹9339/- along with interest at the rate stipulated in the agreement (Ex.P-7) from 15.05.2001 till the date of payment vide judgment and decree dated 17.07.2017.

Learned counsel for the appellant has raised two-fold arguments; (i) that the death claim of the father of respondents No.1 to 4 borrower namely late Ranbir Singh, if was settled belatedly by the Life Insurance Company Limited, the appellant-society was not responsible for it and thus, cannot be held liable, (ii) that the delay in settlement of death claim of the father of respondents No.1 to 4 had occurred on account of their own lapse as they did not furnish relevant information to the Insurance Company in time. The First Appellate Court has not considered the fact that the appellant-society has no role in settlement of the death claim of the appellant and therefore, has wrongly restrained the appellant-society from recovering the aforesaid amount from the legal heirs of deceased Ranbir Singh (respondents No.1 to 4) beyond ₹9,339/-.

Having given thoughtful consideration to the submissions made by learned counsel for the appellant-defendant, I find that the instant appeal is completely devoid of merit for the reasons to follow:-

1. No question of law much less substantial has been raised or arises in this second appeal for consideration. Therefore, the same is not maintainable.

2. The insurance of the borrower was got done by the appellant-society and not by the borrower himself directly from the Insurance Company to secure its loan, in case, of any mishappening. It has come on the record that immediately on the death of borrower Ranbir Singh, respondents No.1 to 4 submitted the claim form along with the requisite documents including his death certificate, in time in the office of the appellant-society with the request to adjust death claim against the loan amount. Krishan Kumar (DW-1) official of the appellant-society in his cross-examination specifically admitted that on the death claim document(Ex.P-16) the date of death of the loanee was mentioned as 15.05.2001 and the outstanding amount as ₹99,326/-.

The appellant-society in support of its stand that delay in settlement of death claim of borrower Ranbir Singh had occurred on account of non-furnishing of required information, did not lead any evidence as to what more information was required to be furnished by the legal heirs of borrower Ranbir Singh, which was not furnished. Rather the appellant-society has miserably failed to prove on record that it has ever sought any information from respondents No.1 to 4.

In view of the above, the First Appellate Court has rightly observed that the settlement of claim of borrower Ranbir Singh by the Insurance Company was a matter inter se between the respondents and the Insurance Company, for which the legal heirs (respondents No.1 to 4) of the borrower cannot be held responsible inasmuch as they had no role to play in between.

In view of discussions made above, by any stretch of imagination, the delay in settling the death claim of borrower Ranbir Singh cannot be attributed to respondents No.1 to 4 and has rightly been held so by the First Appellate Court.

According to document Ex.P-15 of the appellant-society, the amount of ₹9339/- was due against borrower Ranbir Singh on 27.11.2001 after adjustment of the claim amount or the instalments already paid by the deceased Ranbir Singh himself. Therefore, the First Appellate Court has rightly held that the appellant-society can not claim beyond the aforesaid amount of ₹9939/- from respondents No.1 to 4 along with interest stipulated in the agreement Ex. P-7 from 15.05.2001 till its realization.

I have gone through the judgments of the First Appellate Courts and find no illegality in the same.

Appeal stands dismissed.

30.01.2018 **(RAMENDRA JAIN)**
monika **JUDGE**

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