IN THE HIGH COURT OF PUNJAB & HARYANA AT CHANDIGARH

CWP No.3213 of 2019
Date of decision:-05.02.2019

Vishawnath Parsad

.......Petitioner

versus

The Presiding Judge, Permanent Lok Adalat (PUS), Rupnagar and others

.....Respondents

CORAM:- HON'BLE MR. JUSTICE TEJINDER SINGH DHINDSA

Present:- Mr. Chetan Bansal, Advocate for the petitioner.

TEJINDER SINGH DHINDSA, J.(ORAL)

Petitioner has filed the instant writ petition seeking the issuance of a writ of certiorari for modifying the award dated 08.02.2018 passed by the Permanent Lok Adalat, Rupnagar (Annexure P-1).

Brief facts of the case are that the petitioner herein filed an application under Section 22-C of the Legal Services Authorities Act, for the United India Insurance Company to settle the claim pursuant to an Arogya Raksha Plan-B that the applicant had obtained from the Insurance Company and which was in the nature of a family health insurance policy. Undisputedly the policy was valid for the period 01.06.2015 to 31.05.2016 and for a sum of Rs.1,00,000/-. It was the case of the petitioner/applicant that in the month of November 2015 his daughter Asha Kumari, complained of certain illness and was treated from Government Medical College and Hospital, Sector 32-B, Chandigarh and remained admitted as an indoor patient from 08.12.2015 to 20.01.2016. Petitioner claims that he has spent a sum of Rs.3,00,000/- on treatment and submitted bills worth Rs.1,81,156/- to the insurance company for the settlement of the claim.

Claim of the petitioner was repudiated by the insurance company vide letter dated 03.03.2016. It is against such brief factual backdrop that the application under Section 22(C) of the Act had been moved by the petitioner.

Vide award dated 08.02.2018 the application of the petitioner has been allowed in the following terms:-

> *"In view of the above discussion, we are of the opinion that the present application must succeed and the same is hereby allowed with costs. The respondents are directed to pay to the applicant a sum of Rs.1 lakh along with interest as damages @ 9% p.a. with effect from 03.03.2016 (the date of repudiation of the claim vide letter Ex.R8) till the amount is paid. The respondents are also directed to pay Rs.10,000/- as cost of pursuing this application. If the amount is not paid within 30 days from the date of receipt of the copy of the order, the respondents would be liable to pay the amount of Rs. 1 lakh along with interest as damages @ 12% p.a.in stead of 9% p.a. w.e.f. 03.03.2016 till payment and the amount of Rs.10,000/-will be paid along with interest @ 9% p.a. w.e.f. today till its payment to the applicant."*

The solitary contention raised by counsel is that the Permanent Lok Adalat, ought to have assessed some reasonable amount towards damages separately. To buttress such contention counsel would advert to the terms of settlement that had been framed by the Permanent Lok Adalat and as contained in para 6 of the award. One of the terms of settlement was as to whether the respondents should pay compensation of

Rs.1,00,000/- to the applicant towards harassment, financial loss, mental agony and torture.

Having heard counsel for the petitioner at length and having perused the pleadings on record, this Court is of the considered view that no case for modification of the award dated 08.02.2018 (Annexure P-1) is made out.

As per Scheme of the Act the first endeavour of the Permanent Lok Adalat, would be to explore the possibility of settlement between the parties. It was towards such end that the possible terms of settlement had been framed and the parties were duly informed and afforded a chance to reach an amicable settlement in terms thereof. Concededly, no settlement having been arrived at, the Permanent Lok Adalat has proceeded further to adjudicate the claim set-forth. In other words the relief that ultimately is to be granted by the Permanent Lok Adalat, would not be circumscribed by the proposed terms of settlement that had earlier been framed.

Counsel has not been able to advert to any provision under the Act and whereby the Permanent Lok Adalat while granting relief in an application filed under Section 22-C of the Act would be bound to compartmentalize the same i.e.main relief, damages and interest.

In the present case the respondent-Insurance Company had been directed to pay to the petitioner/applicant a sum of Rs.1,00,000/- alongwith interest as damages @ 9% per annum w.e.f. 31.03.2016 i.e.the date of repudiation of the claim and till actual payment. Further Rs. 10,000/- has been awarded towards litigation costs. The interest of the petitioner herein has further been protected to the extent that if the amount so determined is not paid within the 30 days from the date of receipt of the order/award passed by the Permanent Lok Adalat, the respondent-Insurance Company would then be liable to pay interest towards damages @ 12% per annum instead of 9% per annum w.e.f. 03.03.2016.

In an overview of the matter, no interference in the award dated 08.02.2018 (Annexure P-1) is called for.

Petition dismissed.

(TEJINDER SINGH DHINDSA)
JUDGE

05.02.2019
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Whether speaking/reasoned : Yes/No

Whether reportable : Yes/No