**IN THE HIGH COURT OF PUNJAB AND HARYANA
AT CHANDIGARH**
****

133 **CWP-14178-2026**
Date of Decision: 07.05.2026

CHOLAMANDALAM MS GENERAL INSURANCE COMPANY LTD.
...Petitioner

Vs.

SURENDER KUMAR AND ORS. …Respondents

CORAM:- HON'BLE MR. JUSTICE JAGMOHAN BANSAL

Present:- Mr. Pradeep Kumar, Advocate for the petitioner
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JAGMOHAN BANSAL, J. (ORAL)

1. The petitioner through instant petition under article 226/227 of the Constitution of India is seeking setting aside of Award dated 26.08.2025 (Annexure P-6) whereby Ld. Permanent Lok Adalat (for short 'PLA') has allowed respondent's application filed under Section 22C of the Legal Services Authority Act, 1987 (for short '1987 Act').

2. Father of the respondent No.1 purchased an insurance policy from petitioner-insurer to insure his heavy goods vehicle bearing registration number HR-61-C-4368 which was financed by respondent No.2-Bank. He paid premium of Rs. 75,939/-. Owner of the said vehicle passed away on 10.11.2016. Son (respondent No.1) of the deceased owner applied for transfer of registration certificate and finance amount in his name which was rejected by respondent No.2-Bank. Insurer renewed insurance policy for the period from 10.06.2017 to 09.06.2018. The insured vehicle met with an accident on 18.09.2017. The respondent No.1 on the basis of policy lodged claim. The petitioner examined the matter and formed an opinion that the insurance policy was still in the

name of the deceased, thus, claim is liable to be repudiated. Accordingly, petitioner rejected his claim. The respondent No.1 filed an application under Section 22C of 1987 Act before PLA which sought response of the petitioner. Matter was tried to be reconciled, however, was finally adjudicated on merits. PLA has concluded that there was no occasion to repudiate applicant's claim as the policy was issued without verifying the status of the deceased, thus, petitioner has wrongly rejected the same.

3. Learned counsel for the petitioner submits that owner of the vehicle passed away on 10.11.2016. The vehicle was financed by Bank. Son of the owner of the vehicle could not clear outstanding loan, thus, Bank did not transfer vehicle in his name, however, got renewed insurance from the petitioner. It was Bank which made payment and got policy renewed for the period from 10.06.2017 to 09.06.2018. The respondent was not owner of the vehicle, thus, petitioner was not liable to pay cost of repair of the vehicle which met with an accident.

4. Heard the arguments and perused the record.

5. The findings recorded by PLA read as:-

> *"12. Perusal of Repudiation Letter Dated 14.11.2017, Ex.R-6, shows that claim of the petitioner has been repudiated by observing that insured person does not exist as he expired on 10.11.2016 (as per death certificate produced). Aforesaid Letter also cited the Condition No.10 of the Policy Ex.R-1 which reads as under:-*
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> > *"In the event of the death of the sole insured, this policy will not immediately lapse but will remain valid for a period of three months from the date of the death of insured or until the expiry of this policy (whichever is earlier). During the said period, legal heirs) of the insured to whom the custody and use of the Motor Vehicle passes may apply to have this*

> *policy transferred to the name(s) of the heir(s) or obtain a new insurance policy for the Motor Vehicle.*
>
> *Where such legal heirs) desire(s) to apply for transfer of this policy or obtain a new policy for the vehicle such heir(s) should make an application to the Company accordingly within the aforesaid period. All such applications should be accompanied by:*
>
> *1) Death Certificate in respect of the insured,*
>
> *2) Proof of title to the vehicle.*
>
> *3) Original Policy".*

13. Perusal of aforesaid Condition makes it clear that in the event of death of insured, Policy will not immediately lapse but will remain valid for a period of three months from the date of death of insured but during this period legal heirs of the insured are required to apply to have this Policy transferred or obtain a new Insurance Policy for a vehicle. It is because of the aforesaid Condition, the Insurance Company has repudiated the claim of the petitioner.

14. However, the aforesaid Condition is not applicable to the facts of the case because this Condition would have come into play, had the insured died during the period of insurance cover. The present accident has taken place on 18.09.2017. This Policy Ex.R-1, is valid from 10.06.2017 to 09.06.2018. However, when aforesaid Policy Ex.R-1, was issued, the aforesaid Avit Kumar was no more as he has already expired on 10.11.2016. So, Insurance Company, without verifying the particulars of the person to be insured i.e. as to whether he is alive or dead, issued the Policy, after taking the premium of Rs.75,939/-. Premium amount is not small, the Insurance Company should have been careful while issuing the Policy as to whether the person to be insured is in existence or not. Therefore, when, the person, in whose favour Policy is to be issued, but is not alive, fault lies with the Insurance Company and not petitioner, who is claiming the *reimbursement of expenses on the basis of Insurance Policy Ex.R-1 for which he has paid handsome premium amount i.e. Rs.75.939/-. Hence, the Insurance Company had no legal right to deny the rightful Claim to the petitioner.*

15. Surveyor, in his Final Survey Report, Ex.R-4, has assessed the Net liability of the insurer as R$.4,32,736/- Therefore, the petitioner is entitled to the Claim amount of Rs.4,32,736/- (Four lacs thirty two thousand seven hundred thirty six only) towards the expenses incurred by him on repair of his Insured Vehicle"

6. This Court does not find any manifest factual or legal infirmity in the impugned order. There is no dispute that vehicle was insured by petitioner. The petitioner issued insurance policy with respect to vehicle and not with respect to owner of the vehicle. Handsome premium of Rs.75,939/- was received by petitioner. There was no occasion to repudiate claim on the ground that respondent-claimant was not owner of the vehicle.

7. Section 22E of 1987 Act provides that award passed by PLA shall be final and binding on all the parties. The award cannot be called in question in any original suit, application or execution proceedings. Section 22E reads as:

"22E. Award of Permanent Lok Adalat to be final. —(1) Every award of the Permanent Lok Adalat under this Act made either on merit or in terms of a settlement agreement shall be final and binding on all the parties thereto and on persons claiming under them.

(2) Every award of the Permanent Lok Adalat under this Act shall be deemed to be a decree of a civil court.

(3) The award made by the Permanent Lok Adalat under this Act shall be by a majority of the persons constituting the Permanent Lok Adalat.

(4) Every award made by the Permanent Lok Adalat under

> *this Act shall be final and shall not be called in question in any original suit, application or execution proceeding.*
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> *(5) The Permanent Lok Adalat may transmit any award made by it to a civil court having local jurisdiction and such civil court shall execute the order as if it were a decree made by that court."*

It is factually and legally correct that award passed by PLA can be examined in writ jurisdiction, however, mandate of Section 22E cannot be ignored. The award can be examined in writ jurisdiction if there is manifest procedural or fundamental error or PLA has passed award beyond its jurisdiction. There is no such argument or allegation in the present case. PLA has passed impugned order after following prescribed procedure and granting opportunity of hearing.

8. A Constitution Bench in ***Syed Yakoob Vs K.S. Radhakrishnan, AIR 1964 SC 477*** and a two judge bench of the Hon'ble Supreme Court recently in ***Central Council for Research in Ayurvedic Sciences and another Vs Bikartan Das and others 2023 SCC Online SC 996*** have reminded us that there are two cardinal principles of law governing issuance of writ of certiorari under Article 226 of the Constitution of India i.e. (i) High Court does not exercise the powers of Appellate Tribunal. It does not review or reweigh the evidence upon which the determination of the inferior tribunal purports to be based. It demolishes the order which it considers to be without jurisdiction or palpably erroneous but does not substitute its own views for those of the inferior tribunal. The writ of certiorari can be issued if an error of law is apparent on the face of the record; (ii) in a given case, even if some action or order challenged in the writ petition is found to be illegal and invalid, the High Court while exercising its extraordinary jurisdiction

thereunder can refuse to upset it with a view to doing substantial justice between the parties. It is perfectly open for the writ court, exercising this flexible power to pass such orders as public interest dictates & equity projects. The High Court would be failing in its duty if it does not notice equitable consideration and mould the final order in exercise of its extraordinary jurisdiction. Any other approach would render the High Court a normal court of appeal which it is not.

9. A writ of certiorari can be issued for correcting errors of jurisdiction committed by inferior courts or tribunals. Error of jurisdiction includes order by inferior court or tribunal without jurisdiction or in excess of it or as a result of failure to exercise jurisdiction. A writ can similarly be issued where in exercise of jurisdiction conferred on it, the Court or Tribunal acts illegally or improperly, as for instance, it decides a question without giving an opportunity to be heard to the party affected by the order, or where the procedure adopted in dealing with the dispute is opposed to principles of natural justice. There is, however, no doubt that the jurisdiction to issue a writ of certiorari is a supervisory jurisdiction and the Court exercising it is not entitled to act as an appellate Court. This limitation necessarily means that findings of fact reached by the inferior Court or Tribunal as result of the appreciation of evidence cannot be reopened or questioned in writ proceedings. An error of law which is apparent on the face of the record can be corrected by a writ, but not an error of fact, however grave it may appear to be. In regard to a finding of fact recorded by the Tribunal, a writ of certiorari can be issued if it is shown that in recording the said finding, the Tribunal had erroneously refused to admit admissible and material evidence, or had

erroneously admitted inadmissible evidence which has influenced the impugned finding. Similarly, if a finding of fact is based on no evidence, that would be regarded as an error of law which can be corrected by a writ of certiorari. In dealing with this category of cases, however, High Court must always bear in mind that a finding of fact recorded by the Tribunal cannot be challenged in proceedings for a writ of certiorari on the ground that the relevant and material evidence adduced before the Tribunal was insufficient or inadequate to sustain the impugned finding. The adequacy or sufficiency of evidence led on a point and the inference of fact to be drawn from the said finding are within the exclusive jurisdiction of the Tribunal, and the said points cannot be agitated before a writ Court. It is within these limits that the jurisdiction conferred on the High Courts under Article 226 to issue a writ of certiorari can be legitimately exercised.

10. In the wake of above discussion and findings, this Court does not find it appropriate to interfere with the impugned award.

11. Dismissed.

(JAGMOHAN BANSAL)
JUDGE

May 07, 2026
Deepak DPA

Whether Speaking/reasoned Yes/No
Whether Reportable Yes/No