HIGH COURT OF JUDICATURE FOR RAJASTHAN AT JODHPUR

S.B. Civil Writ Petition No. 15588/2026

CNR: RJHC010705962026 | URN: CW / 28091U / 2026

1. United India Insurance Company Limited, Through Branch Manager, Station Road, Churu.
2. Divisional Manager, United India Insurance Company Limited, Old RIICO, Industrial Area, Parbatpura, Ajmer.

----Petitioners

Versus

Baroda Rajasthan Shetriya Gramin Bank, Through Chief Manager, Head Office, 2343, Vaishali Nagar, Ajmer.

----Respondent

For Petitioner(s)	:	Mr. Deepak Chandak
For Respondent(s)	:	Mr. Anil Kumar Bhandari Mr. Dinesh Choudhary

HON'BLE MR. JUSTICE ANOOP KUMAR DHAND

Order

18/08/2026

1. The instant writ petition has been preferred by the petitioner-Insurance Company against the impugned award dated 17.03.2026, passed by the Permanent Lok Adalat, Churu (for short 'the PLA'), whereby the claim petition submitted by the respondent-Bank has been allowed and the petitioner-Insurance Company has been directed to pay the amount of Rs. 8,67,230/- to the respondent-Bank i.e. the loss suffered by the respondent-Bank along with interest.

2. Learned counsel submits that the respondent-Bank took an insurance policy from the petitioner-Insurance company but the respondent-Bank failed to follow the security guidelines, as prescribed by the Reserve Bank of India (for short 'the RBI'). He

submits that neither CCTV cameras were installed inside and outside the bank premises, nor any security guard was posted therein. Counsel submits that the requisite safety measures have not been adopted by the respondent-Bank to avoid happening of any mishap or untoward incidents. Counsel submits that until and unless the security guidelines, so framed by the RBI, are followed by the respondent-Bank, the petitioner-insurance company cannot be held liable and responsible for the amount of loss suffered by the respondent-Bank, in case of any incident of theft/robbery/ dacoity, on account of fault of the respondent-Bank. Counsel submits that all these facts were totally overlooked by the PLA, while passing the impugned award.

3. In support of his contentions, counsel has placed reliance upon the judgment passed by the Apex Court in the case of **Export Credit Guarantee Corporation of India Ltd. Vs. Garg Sons International** reported in **(2014) 1 SCC 686;** and **Muthoot Finance Limited Vs. United India Insurance Company Limited** in **Civil Appeal No.8364/2024** decided vide order dated **02.08.2024**.

4. Counsel submits that identical issue came up before the National Consumer Disputes Redressal Commission ("the NCDRC") in the case of **Muthoot Finance Limited Vs. United India Insurance Company Limited** in **Consumer Case No.3331 of 2017,** wherein also the security guidelines, so framed by the RBI, were not followed, no guard was posted in the bank premises and CCTV cameras were also not installed when the incident of dacoity took place at the bank premises. Counsel submits that since there was clear violation of guidelines of RBI, therefore, the claim so

made by the complainant-Bank therein was rejected by the NCDRC vide order dated 02.04.2024. He further submits that aggrieved by the order, passed by the NCDRC, the complainant-finance company-Muthoot Finance Limited submitted a **Civil Appeal No.8364/2024** before the Hon'ble Apex Court but the same was rejected by the Apex Court vide order dated 02.08.2024, thereby upholding the order dated 02.04.2024, passed by the NCDRC. Counsel submits that under these circumstances, interference of this Court is warranted.

5. Per contra, learned counsel appearing on behalf of the respondent-Bank opposed the arguments, made by the learned counsel for the petitioner and submitted that prior to obtaining the insurance from the petitioner-Insurance Company, the respondent-Bank had disclosed to the petitioner-Insurance Company that neither any guard/gunman has been posted at the respondent-Bank nor there is CCTV installation in the branch of the respondent-Bank. Counsel submits that on the basis of the aforesaid disclosure being made by the respondent-Bank, appropriate premium was charged by the petitioner-Insurance Company, which too was duly paid. Thereafter, the untoward/unwarranted incident of dacoity took place at the branch of the respondent-Bank wherein it has suffered severe financial loss. Counsel submits that when the loss was not compensated by the petitioner-Insurance Company, the respondent-Bank approached the PLA for recovering the aforesaid amount of loss suffered. He submits that after considering the above facts and circumstances of the case, the PLA passed a reasoned and cogent order fastening the liability on the petitioner-Insurance Company

to pay an amount of Rs. 8,67,230/- i.e. the loss suffered by the respondent-Bank along with interest. Hence, interference of this Court is not warranted.

6. In support of his contentions, counsel for the respondent-Bank has placed reliance upon the following judgments passed by this Court:

(1) **National Insurance Company Limited & Anr. Vs. Baroda Rajasthan Kshetriya Gramin Bank** in **S.B. Civil Writ Petition No. 12895/2024** decided vide order dated **08.01.2025**.

(2) **The New India Assurance Company Limited Vs. M/s. Divya Laxmi Fabrics & Anr.**, reported in **2017 SCC OnLine Raj 3633**.

7. Heard the submissions made at the Bar and perused the material available on the record.

8. This fact is not in dispute that an incident of dacoity has occurred at the premises of the respondent-Bank and certain amount was robbed by the dacoits. This fact is also not in dispute that the respondent-Bank has taken an insurance policy from the petitioner-Insurance Company for getting suitable amount of compensation for the loss suffered by the respondent-Bank, in case, any untoward incident occurs.

9. The only objection taken by the petitioner-Insurance Company is that the security guidelines, as formulated by the RBI, have not been followed by the respondent-Bank, i.e. installation of CCTV camera and posting of gun man/guard at the bank premises for providing security to the respondent-Bank.

10. Perusal of the record indicates that prior to getting the insurance policy, a proposal was prepared and submitted by the respondent-Bank to the petitioner-insurance company wherein it was specifically mentioned that the branches of the respondent-Bank do not have installation of CCTV cameras or alarm bells. It was also mentioned in the proposal form that there is no gun man/guard posted at the branches of the respondent-Bank.

11. Whether the above proposal of the respondent-Bank was accepted by the petitioner-Insurance Company or not, might be a disputed fact, but this fact is not in dispute that after accepting the appropriate premium amount, against the insurance, the policy was released by the petitioner-Insurance Company in favour of the respondent-Bank. Hence, under these circumstances, the petitioner-Insurance Company, being bound by the principle of promissory estoppel, is estopped from taking a different view regarding payment of loss suffered by the respondent-Bank, after accepting premium amount and releasing the insurance policy thereafter. Be that as it may, before issuing the insurance policy in favour of the respondent-Bank, the petitioner-Insurance Company could have asked the respondent-Bank to complete the requisite formalities, pertaining to the security guidelines issued by the RBI, however, instead of doing so, straightaway the policy was issued by the petitioner-Insurance Company. Hence, under these circumstances, the petitioner-Insurance Company is duty bound to compensate the respondent-Bank and release the amount of loss suffered by them in case of occurrence of untoward incident, such as dacoity, which occurred at the premises of the respondent-bank on the fateful day.

12. In the considered opinion of this Court, the PLA has passed a reasoned and cogent order, after taking into account the entire facts and circumstances, which does not warrant any interference of this Court. This Court finds no merit and substance in the instant writ petition.

13. Accordingly, the instant writ petition is liable to be and is hereby rejected. Stay application and all pending applications, stand dismissed.

(ANOOP KUMAR DHAND),J

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