IN THE HIGH COURT FOR THE STATES OF PUNJAB AND HARYANA AT CHANDIGARH

CWP No.1540 of 2015
Date of Decision.10.02.2015

Cholamandlam MS General Insurance Company Ltd. ....Petitioner

Versus

Narender Kumar and others ......Respondents

Present: Mr. Rajneesh Malhotra, Advocate
for the petitioner.

CORAM:HON'BLE MR. JUSTICE K. KANNAN

1. Whether Reporters of local papers may be allowed to see the judgment ?
2. To be referred to the Reporters or not ?
3. Whether the judgment should be reported in the Digest?

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K. KANNAN J. (ORAL)

1. The insurance company is in challenge to an order passed by the Permanent Lok Adalat which had accepted the claim for compensation for theft of the vehicle insured with the insurance company. The contention in the complaint was that the vehicle when it was in the possession of one Dharmender resident of Ladhan Pana was lost when it had been parked in front of his house in the night of 17.04.2011. The theft was detected by the said Dharmender in the morning at 2.30 AM and a complaint was registered with the police following morning on 18.04.2011. After the information was secured from the police as it was not traceable, the insurance company was informed and the insurance company repudiated the claim on two grounds. One, the petitioner did not have an insurable interest since the person who had lodged the FIR had himself stated that he had got the vehicle from the insured and therefore, it must mean that he had

purchased the vehicle. The second contention taken was that the fact of theft of the vehicle had not been informed within 48 hours in the manner it was stipulated in the terms of policy and therefore, the amount awarded was in violation of terms of policy and the complainant could not make the claim lawfully possible. Both these contentions were rejected by the Permanent Lok Adalat.

2. The learned counsel appearing for the insurance company would reiterate his submissions that the insured did not retain the insurable interest at the time of the vehicle loss. I cannot take the fact that the vehicle was in possession of yet another person at whose instance complaint is given to mean that there had been a transfer of the ownership of the vehicle. It is possible for any person to entrust the vehicle to any one else and if there was a case of sale made and approved by the insurance company itself, I will not accept the contention that there was no insurable interest in the complainant.

3. Even the issue of delay of lodging a complaint of theft with the insurance company cannot be very material in this case and there has been an explanation made that with a complaint had been given to the police immediately the next day morning and issue of theft was informed to the company after the vehicle was found to be not traceable. The counsel would argue that in situation where there had been delay in lodging the complaint with the insurance company, the National Commission and the Supreme Court had allowed for realization of only 50% or 75% of the money. I do not think that there was any law laid down by the Supreme Court or the National Commission that if there is any delay in lodging complaint with the insurance company, there will

be abatement of portion of the insured amount. It all depends on the peculiar facts and circumstance of each case and if there is no term of the policy that there will be abatement of the value of the amount if there is any delay in lodging a complaint, I will not take the mere fact that in some of the decisions of the Supreme Court or the National Commission, there had been reduction of the claim as affording any guidance to this Court that the amount shall be partially abated.

4. I will find no reason for interference with the order of the Permanent Lok Adalat and I maintain it. The writ petition is dismissed.

(K. KANNAN)
JUDGE

February 10, 2015
Pankaj*