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

CWP No.328 of 2015
Date of Decision.09.01.2015

Sriram General Insurance Company Ltd. ....Petitioner

Versus

Mubarik and others ......Respondents

Present: Mr. Vinod Kumar Arya, 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. There is no justification for the writ petitioner to challenge the order of the Permanent Lok Adalat that has upheld the claim for the amount insured for theft of the vehicle. The theft was reported to have taken place on the intervening night of 28/29.01.2013. The theft was of a goods vehicle. The police complaint had been given immediately the following day and copy of the registered complaint had also been filed. However, notice of theft had been issued by the complainant only on 06.02.2013. The investigator was reported to have been sent to the petitioner after the case was filed and the insurance company declined to honour the payment on the ground that the petitioner did not support investigation properly and he had defied the insurance company to answer the claim before the Permanent Lok Adalat where the case was pending.

2. If there was a term of the policy that a theft must be

immediately reported to the insurance company, it is a manner of reckoning that the insured acts with sufficient alacrity and makes possible for the insurer to verify the genuineness of such a claim. A mere delay at all times cannot be taken as disentitling the pursuit of such a claim, for, it could only be taken as a circumstance among others for assessing the truth or otherwise of the same. In this case, if the theft had taken place at the night and police complaint was given immediately the following morning and the police had reported ultimately that the vehicle could not be traced and if the petitioner gives an explanation for the delay as resultant to the delay taken by the police in informing that the vehicle could not be traced, the said situation would only require the insurance company to come out with any proof that the petitioner was making a fake claim. Here a mere delay cannot be a cause for discrediting the claim as bogus. If the issue of theft was a matter for adjudication before the Permanent Lok Adalat it renders a factual finding which ought to be taken as concluding the issue and cannot be brought before this Court under Article 226. When the legislation provides the order of the Permanent Lok Adalat to be final, an intervention can be made only where the decision is perverse or without any basis. The Permanent Lok Adalat had the statement of the complainant and the complaint to the police as sufficiently supportive of the complaint's claim that the vehicle had been stolen. I find no reason for interference of the finding.

3. The petitioner's grievance also is that the amount which has been awarded includes interest at 12% per annum which is very high. Where the policy requires settling the claim immediately and if the

Permanent Lok Adalat found that the case of theft was genuine, the non payment of the amount after demand must only be taken as unjustified and imposition of interest @12% cannot be taken to be high for an intervention.

4. The writ petition is dismissed.

(K. KANNAN)
JUDGE

January 09, 2015
Pankaj*