

IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH

CWP No.7850 of 2009 (O&M)

Date of decision: 10.02.2016

Reliance General Insurance Company Limited

....Petitioner

Versus

Rakesh Kumar and another

....Respondents

CORAM: HON'BLE MR. JUSTICE RAJESH BINDAL

Present: Mr. Subhash Goyal, Advocate, for the petitioner.

Mr. P.R Yadav, Advocate, for respondent No.1.

RAJESH BINDAL, J.

Challenge in the present petition is to the award of the Permanent Lok Adalat (Public Utility Services) Gurgaon dated 15.01.2009, whereby the claim of respondent No. 1 for award of compensation on account of theft of his vehicle was accepted.

Learned counsel for the petitioner submitted that respondent No. 1 purchased Bolero car and got the same insured with the petitioner-Company with policy No. 1304372311118584 for the period from 19.09.2007 to 18.09.2008 for a sum of ₹ 5,60,032/-. The vehicle was stolen on 02.01.2008 and FIR No. 03 was registered on 03.01.2008. Respondent No. 1 approached the petitioner-company and by way of mutual settlement, the claim was finalized for ₹ 4,50,000/- as full and final settlement. The cheque was also prepared, however, respondent No. 1 did not visit the office of the petitioner to collect the same but filed the petition before the Lok Adalat. He further submitted that in terms of Section 39 of the Motor Vehicles Act, 1988 (for short 'the Act') registration of the vehicle was

mandatory. In the case in hand the temporary registration of the vehicle expired on 18.10.2007 whereas the vehicle was stolen on 02.01.2008. Hence on that day it was not registered.

On the other hand, learned counsel for respondent No. 1 submitted that he was pressurized to accept the claim of ₹ 4,50,000/-, which he did not accept and a letter raising objections was also sent by him on 15.10.2008. The claim has rightly been accepted by the Lok Adalat. Respondent No. 1 was not found to be plying the vehicle on road, hence there was no violation of Section 39 of the Act. It was a case of theft. The vehicle being new, respondent No. 1 has rightly been awarded the cost of the vehicle by the Lok Adalat.

Heard learned counsel for the parties and perused the paper book.

The fact that respondent No. 1 purchased new Bolero car, which was insured with the petitioner-company for the period from 19.09.2007 to 18.09.2008 is not in dispute. Further, it is not in dispute that it was stolen on 02.01.2008. For rejecting the claim, the petitioner sought to raise an issue that on that date the vehicle was not registered. Section 39 of the Act was referred to, which makes registration of a vehicle mandatory for plying on the road. It is not in dispute that the vehicle in the present case was not being plied on road as it was a case of theft.

As far as the contention raised by learned counsel for the petitioner that the respondent No. 1 after having settled the claim and agreeing to accept ₹ 4,50,000/- has filed the petition before the Lok Adalat, hence he should not be awarded compensation more than that, also deserves to be rejected as respondent No. 1 had protested against the same vide his

letter dated 15.10.2008.

The new vehicle of respondent No. 1 having been stolen, there is no error in the order passed by the Lok Adalat awarding cost of the vehicle.

The present petition is accordingly dismissed.

(RAJESH BINDAL)
JUDGE

10.02.2016
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