

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

FAO No.9134 of 2014 (O&M)

Date of decision : 22.11.2016

Reliance General Insurance Company Ltd.

.....Appellant

Versus

Inder Singh and others

...Respondents

CORAM : HON'BLE MR. JUSTICE DARSHAN SINGH

Present: Mr. Paras Money Goyal, Advocate for appellant.

Mr. Vinod K.K. Anwal, Advocate for

Mr. Ashit Malik, Advocate for respondent No.1.

DARSHAN SINGH, J.

The present appeal has been preferred by the Reliance General Insurance Company against the award dated 09.07.2014, passed by the learned Motor Accidents Claims Tribunal, Karnal (hereinafter called the “Tribunal”) vide which respondent No.1-claimant has been awarded compensation to the tune of Rs.1,55,000/- on account of injuries suffered by him in the motor vehicular accident, which took place on 20.05.2011.

2. The present appeal has been preferred by the appellant-Insurance Company (who was impleaded as respondent No.3 in the claim petition) to assail the award.

3. I have heard learned counsel for the parties and have gone through the paper-book carefully.

4. Learned counsel for the appellant-Insurance Company

contended that the present accident had taken place in the area of Alipura, New Delhi. There was no permit with the offending vehicle to operate in the jurisdiction of the State of Delhi, where the accident has taken place. The respondent No.2 was holding permit to operate the offending vehicle only in the State of Haryana. Thus, he contended that the vehicle was being operated in the State of Delhi without permit, which is a violation of the terms and conditions of the insurance policy and the appellant-Insurance Company was entitled for recovery rights.

5. On the other hand, learned counsel for respondent contended that mere this fact that the offending truck was not having the permit for the State of Delhi is no ground to prove the violation of terms and conditions of the insurance policy when it is established that the vehicle in question has a valid permit issued by the State of Haryana. So, there was no violation of the terms and conditions of the insurance policy.

6. I have duly considered the aforesaid contentions.

7. This fact is not disputed that truck bearing registration No.HR-37A-5685 was having a valid permit issued by the State of Haryana. It is an admitted fact that the said truck had no permit for its operation in the State of Delhi. The accident has taken place in the area of Alipura, New Delhi. Learned counsel for the appellant has pleaded that at the time of the accident, the truck in question was being operated in the State of Delhi for which there was no permit, which is violation of terms and conditions of the insurance policy and the appellant-Insurance Company shall be entitled for the recovery rights.

8. The aforesaid contentions raised by learned counsel for the appellant-Insurance Company are without any substance. The vehicle in question had the valid permit for the State of Haryana, but the accident has taken place in the State of Delhi. It means that the vehicle has strayed the route of the permit, which will not be a valid defence available to the Insurance Company. This Court in case ***Hans Raj Chaudhary Vs. Smt. Nanhi Devi and others 2013(7) RCR (Civil) 2574*** has laid down as under :-

“The counsel appearing on behalf of the insurance company still insist that Sections 66 and 69 of the Motor Vehicles Act set out the various terms of permit and one of the terms is that be that the vehicle could traverse only within the area allowed in the permit. The language used in Section 149 that sets out the permissible defences employs the expression of user of a vehicle "for a purpose not allowed by the permit". The purpose of the permit is not the same thing as condition in the permit. The legislature has employed a language restricting it only to violation of purpose of permit. The MV Act, being a beneficial legislation, the issue of liability should be interpreted to the benefit of claimant and to the extent to which the owner obtains indemnity, it makes possible the prospect of recovery so much easier.”

9. Similarly in case ***Future General Insurance Co. Ltd. Vs. Smt. Surjo Devi and others 2013(2) RCR (Civil) 564*** this Court has laid down that the violation of any other term than the purpose for which the permit was to operate will not be a defence which will be available in the scheme of the Motor Vehicles Act.

10. In case ***National Insurance Company Ltd. Vs. Rajinder Giri and others 2012(2) RCR (Civil) 183*** the vehicle had a valid route

permit for being plied in State of Rajasthan. The accident took place when the vehicle was being operated in the State of Haryana. This Court laid down as under: -

“It would be said that the vehicle had a valid route permit for being plied in the State of Rajasthan but not in Haryana State. The Transport Authority of Rajasthan State had found the vehicle fit for being plied as goods carriage. Therefore, it cannot be said that the vehicle was being plied without a route permit. The violation of bringing the vehicle to the area of State of Haryana without a valid route permit for plying the same in the said State would not amount to violation of the conditions of the insurance policy and would not give the insurer a defence under Section 149(2) of the Act. The case before me is not a case where there is no route permit at all. Therefore, the ratio of the decision in National Insurance Co. Ltd.'s case (supra) would not stand attracted to the facts of this case.”

11. In view of the consistent ratio of law laid down in the cases referred above, mere this fact that the truck in question was being operated in the State of Delhi, though it has permit only for the State of Haryana will not constitute the violation of the condition of the permit as the insurance Company has not been able to establish that the vehicle in question was being used for a purpose not allowed by the permit.

12. Thus, it is not established that the insured has violated the terms and conditions of the insurance policy. Consequently, the appellant-Insurance Company cannot escape the liability. Therefore, I do not find any illegality in fastening the liability upon the appellant-Insurance Company.

13. No other argument has been raised.

14. In view of my aforesaid discussion, the present appeal is

without any merits and the same is hereby dismissed.

22.11.2016

sunil yadav

(DARSHAN SINGH)
JUDGE

Whether speaking/reasoned : Yes / No

Whether reportable : Yes / No