

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

FAO No. 611 of 1999

Date of decision : 07.09.2017

New India Assurance Company Ltd.
versus

...Appellant

Hira Devi and others

...Respondents

CORAM : HON'BLE MR. JUSTICE RAJIV NARAIN RAINA.

Present : Mr. Paul S. Saini, Advocate for the appellant.

RAJIV NARAIN RAINA, J. (ORAL)

This is an appeal against the award of the Motor Accident Claims Tribunal, Faridabad (in short 'Tribunal') dated 06.01.1999 awarding a sum of ₹ 1, 50, 180/- as compensation to the claimants. The age of the deceased at the time of accident was 56. The offending vehicle was not insured, for the reason, that the respondent/owner furnished a cheque dated 10.04.1996 to buy insurance cover which was dishonoured by the Bank on presentation on 16.04.1996. The insurance company received bank memo dated 16.04.1996 informing them that cheque had been dishonoured for insufficient funds. The insurance policy was canceled by the appellant on 19.04.1996. The accident occurred on 02.11.1996, and, therefore, the Insurance Company is not liable to indemnify the insured and the liability shifts to the owner of the offending vehicle. Consequently, appeal is allowed.

The appellant would have recovery rights against the respondent/owner, if any, already deposited before the Tribunal and disbursed to the claimants.

**(RAJIV NARAIN RAINA)
JUDGE**

September 7, 2017

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Whether speaking/reasoned : YES/NO

Whether reportable : YES/NO