IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH

CWP No.1035 of 2016
Date of decision : 20.01.2017

Reliance General Insurance Company

...Petitioner

Versus

Dilbagh Singh and others

..Respondents

CORAM: HON'BLE MR. JUSTICE AMIT RAWAL.

Present: Mr. Vikas Sharma, Advocate for
Mr. R.K. Bashamboo, Advocate for the petitioner.

Mr. Rajbir Singh, Advocate for respondent No.1.

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AMIT RAWAL, J. (Oral)

The petitioner-Insurance Company is aggrieved of the impugned order dated 30.07.2015 (Annexure P-5), passed by the Lok Adalat by exercising the power under Section 22(c)(8), whereby claim of ₹6,50,000/- with interest from the date of theft of Truck-Trolla bearing No.PB-13K-9825 i.e. 24.01.2011 till the payment along with ₹50,000/- as compensation on account of mental agony and harassment and ₹11,000/- as litigation expenses had been made and sum of ₹6,50,000/- along with ₹25,000/- as compensation, ₹11,000/- as litigation expenses along with interest at the rate of 9% after 30 days had been awarded i.e. from the date of repudiation of the claim i.e. 28.07.2011.

Mr. Vikas Sharma, Advocate on behalf of Mr. R.K.

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Bashamboo, learned counsel appearing on behalf of the petitioner submits, that policy insurance was obtained for covering a risk of Truck-Trolla aforementioned which was valid w.e.f. 18.10.2010 to 17.10.2011. The aforementioned truck was stolen on the night of 24/25.01.2011. The FIR was lodged after a gap of 7 days. Information of the theft to the insurance company was submitted after 16 days. Insured filed the complaint on 08.11.2011 before the Consumer Forum and the said complaint was dismissed vide order dated 17.07.2012 (Annexure P-2). The aforementioned order was assailed in appeal before the State Commission and the Insurance Company was directed to decide the complaint within a period of one month from the date of order. The matter was examined and vide letter dated 12.05.2014 (Annexure P-4), claim was repudiated on the ground that Insured had not submitted claim within time.

He further submits that matter aforementioned controversy requires detailed examination and could not have been agitated under Section 22(C)(8) before the Lok Adalat, and in the absence of any resolution or consensus, in essence, remedy lied elsewhere i.e. Civil Court. Specific objection in this regard was taken but the Lok Adalat has not taken into consideration the aforementioned facts.

He further submits that Lok Adalat did not have jurisdiction to decide the claim under Section 22 (C)(8). Claim was repudiated in view of the Condition No.1 of the policy. He says that notices have to be given in writing to the company immediately upon the occurrence of the theft/damage in the event of any claim i.e. the insured is required to give all such information and assistance as the company. No steps have been taken

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by the police to recover the vehicle. Simply by not informing the company, great prejudice has been caused and, therefore, repudiation was perfectly, legal and justified. Repudiation of 12.05.2014 (Annexure P-4) was not liable to be ignored.

Per Contra, Mr. Rajbir Singh, learned counsel appearing on behalf of respondent No.1 submits that delay in making claim to the insurance company could not be fatal and this fact has been examined by the Lok Adalat by relying upon various judgments. He also relied upon judgment rendered by this Court in *National Insurance Company Limited Gurgaon Vs. Ravi Dutt Sharma, 2011(3) RCR (Civil) 631*, to contend that if the information is given beyond the date stipulated in terms and conditions, that cannot be fatal for adjudication of claim as the insurance company on the basis of report had appointed Investigator. Investigator had formed an opinion. The copy of the investigation report despite being requested was not supplied and this fact was noticed by the Lok Adalat, thus, order of the Lok Adalat is perfect, legal and justified and is liable to be upheld.

I have heard learned counsel for the parties and appraised the paper book and of the view that there is no ground and force in the submission of learned counsel for the petitioner, for, intimation to the Insurance Company need not be fatal to the claim of the insured as the factum of the registration of the FIR and theft is not disputed. The decision of the Lok Adalat with regard to non-supply of the investigation report has not been refuted in any of the grounds in the present writ petition. Nothing prevented the insurance company to come out with the report of the investigation agency. Withholding of the aforementioned report of the

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Investigator, leads to irresistible conclusion that vehicle was actually insured. The insurance of the vehicle, much less, receipt of the policy is not disputed. The theft is also during the subsistence of the insurance policy. Insurance Company cannot compel the insured to seek vindication of the grievance by running from pillar to post. The police had though prepared the cancellation report in the FIR No.49 of 2011 which is evident from Annexure A-10. Declared value of the vehicle in question and the sum insured has been taken ₹6,50,000/-, which in my view is correct.

No ground for interference is made out.

Impugned order dated 30.07.2015 (Annexure P-5) is upheld.

Accordingly, present writ petition is dismissed.

20.01.2017 **(AMIT RAWAL)**
pawan **JUDGE**

Whether speaking/reasoned:- **Yes/No**

Whether reportable:- **Yes/No**

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