2024:BHC-NAG:7327

IN THE HIGH COURT OF JUDICATURE AT BOMBAY
NAGPUR BENCH, NAGPUR

First Appeal No.674 of 2019

Reliance General Insurance Company Ltd.
vs.
Shrawan Anandrao Dehankar and another

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Office notes, Office Memoranda of Coram, appearances, Court's orders or directions and Registrar's orders.	*Court's or Judge's Orders*

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Mr. H.N. Verma, Advocate for the Appellant.
None present for the Respondents.

CORAM : M.W. CHANDWANI, J.
DATE : 3rd JULY, 2024.

Though the respondents are duly served, nobody appears on their behalf.

02] The contention is that the insurance policy covered the period from 00:00 hours of 31/01/2014 to 23:59 hours of 30/01/2015, whereas the accident occurred on 30/01/2014. According to the learned Counsel for the appellant, at the time of accident, the vehicle was not registered with the appellant and, therefore, the Motor Accident Claims Tribunal ('Tribunal' for short) has erred in granting compensation towards 'no fault liability' under Section 140 of the Motor Vehicles Act.

03] Perusal of the impugned award goes to show that the proposal form for taking out the insurance policy was submitted on 28/01/2014 and the payment towards premium was also made on the same day. The insurance policy has been issued on the basis of policy form, which was filled in on 28/01/2014 and, therefore, the Tribunal has granted compensation towards 'no fault liability'.

04] The Tribunal has rightly relied on the decision in the case of *Oriental Insurance Co. Ltd. vs. Dharam Chand and others – (2010) 15 SCC 141*, wherein the Supreme Court has observed in paragraphs 2 and 3 thus:

> *"2. The motor accident in regard to which the claim case was filed took place at 8:30 p.m. on 7-5-1998. The Insurance Company sought to disown its liability on the plea that the accident took place before the commencement of the insurance as indicated in the cover note. But, both the Tribunal and the High Court, turned down the plea and held the Insurance Company liable to pay the compensation amount.*
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> *3. When this appeal was taken up, the counsel for the Insurance Company very fairly stated that since the cheque for the premium amount was received by the Company at 4:00 p.m. on 7-5-1998, the insurance must be deemed to have commenced from that time and four hours later when the vehicle met with the accident, the owner must be deemed to have been covered by the insurance policy. We appreciate the fairness shown by the counsel for the Insurance Company."*

05] Even otherwise, the compensation awarded under Section 140 of the Motor Vehicles Act will be subject to outcome of the final decision in the matter. The order of compensation of 'no fault liability' will merge in the final order. The evidence is yet to be recorded in the matter and the question, whether on the date of incident, the vehicle was insured with the insurer i.e. the appellant, can be gone into at the time of hearing of the petition on merits. Hence, there is no substance in appeal.

06] The amount deposited by the appellant in this Court may be remitted to the Tribunal. The Tribunal to deal with the same in accordance with the law. In the above terms, the appeal is disposed of.

JUDGE

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