



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

FAO-480-1999 (O&M)

Date of Decision: February 24, 2025

National Insurance Company Ltd.

...Appellant

VERSUS

Meena Devi and others

...Respondents

CORAM: HON'BLE MRS. JUSTICE ARCHANA PURI

Present: Mr.Shrenik Jain, Advocate
for the appellant.

ARCHANA PURI, J.

The present appeal has been filed by the appellant-National Insurance Company, thereby, questioning the liability fastened upon the insurance company, to pay compensation, awarded by learned Motor Accident Claims Tribunal, on account of death of Daljit Singh, in a motor vehicular accident, which took place on 17.02.1996.

For the convenience of discussion, the parties are referred to as making appearance before learned Tribunal.

The essential facts, to be noticed, as pleaded in the petition, are as follows:-

That, on 17.02.1996, Daljit Singh, who was working as Constable in Delhi Police, along with his wife and son, was travelling on a motor cycle bearing registration No.DL-8SC-5353. When they reached near Loha

**FAO-480-1999****-2-**

factory, at about 8.30 a.m., a truck bearing registration No.HR-13-2344, came from the opposite side, which was driven in a rash and negligent manner by respondent No.1-Satbir and the same struck against the motorcycle of Daljit Singh, as a result whereof, Daljit Singh was crushed under the front wheel of the said truck and he had died.

FIR No.20 of 1996, under Sections 279, 336 and 304-A IPC was registered at Police Station North-West Delhi.

The claim petition was filed by the widow, son as well as mother of deceased Daljit Singh, for seeking compensation.

Respondents No.1 and 2, in their separate reply, had denied about the accident in toto. Likewise, the insurance company, in its separate reply, besides taking various assertions, had also taken a specific plea that the truck bearing registration No.HR-13-2344, was not duly insured and the particulars and insurance furnished by the owners, are wrong and truck was insured on 19.02.1996, which was valid up to 18.02.1997, whereas, the accident in question had taken place on 17.02.1996. As such, it was asserted that the claim of the claimants is false and frivolous.

After framing of the issues, the evidence was adduced. Considering the evidence, brought on record, the compensation was worked upon. However, the contest was only with regard to the date of the insurance policy, having issued to the respondent-owner. In this regard, respondents had examined RW-1 J.C.Chugh, Officer of Insurance Company and also RW-2 Ram Kishore Rana, agent of the insurance company and various documents were also produced, vis-a-vis, the contract of insurance between the insurance company and owner of the vehicle.



After hearing learned counsel for the parties, the compensation was worked upon and on the basis thereof, it was also held by learned Tribunal that respondents No.1 to 3, are jointly and severally liable, to pay the compensation, as it was concluded that the date of issuance of the cover note, in this case was 09.02.1996 and not 19.02.1996 and thus, the insurance also covers the date of accident.

Being aggrieved, the insurance company has filed the present appeal.

At this juncture, it is pertinent to mention that the present case relates to the unfortunate fire incident, which took place in the High Court premises, in the year 2011 and thus, the record was destroyed. The record of the Tribunal is not available. But anyhow, learned counsel for the insurance company has produced the photostat copies of the various documents, as well as the evidence adduced before learned Tribunal and he has also stated to adjudicate the matter, on the basis of the material coming forth.

Learned counsel for the appellant heard.

The sole dispute, in the present appeal, is with regard to the liability to be fastened upon the insurance company or not. The accident had taken place on 17.02.1996 and the cover note, which is coming forth, during the course of evidence is Ex.R-3, which states about the date of issuance of the same to be 09.02.1996 and the period of insurance stated is midnight of 09.02.1996 to midnight of 09.02.1997. However, learned counsel for the appellant submits that the said document is false and frivolous one. In fact, the date has been wrongly mentioned as 09.02.1996, instead of 19.02.1996.

Two witnesses have been examined by the insurance company.



One is RW-1 J.C.Chugh, Assistant Administrative Officer and other is RW-2 Ram Kishore Rana, the agent, who had allegedly issued the cover note.

Both the said statements have been meticulously considered by learned Tribunal. RW-1 J.C.Chugh, even though, in his examination-in-chief, had stated about the truck bearing registration No.HR-13-2344 to have been insured with the insurance company for the period 19.02.1996 to 18.02.1997, but he stated that the insurance cover note was issued by their agent and he produced the copy of the cover note, received by the office, which is Ex.R3. However, it is stated that it was to be operative only from 19.02.1996 and not before that. He also proved the receipt showing therein, the deposit of amount of the insurance only on 19.02.1996.

However, his cross-examination is very vital, to settle the question with regard to the saddling of the liability of the insurance company to pay the compensation, as worked upon. In the cross-examination, the said witness admitted that a vigilance enquiry is pending against Ram Kishore Rana, who had issued the cover note, in respect of policy of vehicle registration No.HR-13-2344 and he also submitted that it is still pending. He further admitted that the enquiry is in respect of the fact, as to whether the cover note was issued on 09.02.1996 or on 19.02.1996. However, he admitted to be correct that in the enquiry, it was revealed that in fact, the agent had received the amount on 09.02.1996 and he had issued the cover note on the same day, but in the copy, which was issued to their office, he mentioned the date as 19.02.1996.

In the light of aforesaid admission, coming from the mouth of the official of the insurance company, no fault, as such, is evident, on the



part of the owner of the offending vehicle. If at all, it was so, as now asserted, there was fault on the part of the agent of the insurance company. On query by the Court, learned counsel for the appellant submits that he is ignorant about the fate of enquiry, as allegedly initiated against the agent.

Not only this, the aforesaid witness had also admitted that there may be a blank cover note with the agent and he issued the cover note on 09.02.1996 or it might be possible that no cover note was issued after 08.02.1996, when the agent was able to issue cover note in respect of the policy of the offending vehicle on 09.02.1996. This is very irresponsible statement made by the official of the insurance company. It gives an inkling of the wrong doing, on the part of agent of the insurance company, for which the insurer, as such, cannot be made liable.

Furthermore, coming to the statement of Ram Kishore Rana, who stepped into witness box as RW-2. The said witness also stated that he is authorised agent of National Insurance Company. The vehicle bearing registration No.HR-13-2344 was insured through him on 19.02.1996, when he had issued the cover note. He also stated that date mentioned in the insurance cover note, which is a photocopy, as 09.02.1996, is due to fabrication by the concerned party, as he had never issued the cover note on that date. But however, his statement is not complete, which is coming on record.

In the given circumstances, his statement, as such, also cannot be read. Assuming as per the examination-in-chief of the said witness also, it is pertinent to mention that said witness had admitted that the cover note Ex.R3 belongs to his book, from where he used to issue cover note. Meaning



FAO-480-1999

-6-

thereby, the same was issued by him. If there was any fabrication, prompt action was bound to have been taken by the agent or the insurance company. However, till date, there is nothing, as such, coming on record, with regard to any proceeding having initiated.

In the given circumstances, it is evident that fault, if at all, with regard to the date of issuance of cover note, was on the part of the agent and for this, the insurer, as such, cannot be made liable in any case.

In the light of the same, without any further material coming forth, as the record is also very scanty, fastening the liability upon the insurance company, was the correct step taken by learned Tribunal.

Hence, the present appeal sans merit and the same is hereby dismissed.

February 24, 2025
Vgulati

(ARCHANA PURI)
JUDGE

Whether speaking/reasoned
Whether reportable

Yes
Yes/No