



CR No. 2999 of 2025

IN THE HIGH COURT OF PUNJAB AND HARYANA ATCHANDIGARH

CR-2999 of 2025 (O&M)

Decided on : 28.08.2025

Royal Sundaram General Insurance Company Limited

.....Petitioner

Versus

Gurnam Singh & Ors.

.....Respondents

CORAM : HON'BLE MR. JUSTICE DEEPAK GUPTA

Present: Mr. D.K. Prajapati, Advocate
For the petitioner.

DEEPAK GUPTA, J.

By way of this petition filed under Article 227 of the Constitution of India, petitioner assails order dated 03.3.2025 (*Annexure P-1*) passed by Learned MACT, Rupnagar whereby an application moved by the petitioner to delete its name from the array of respondents in a claim petition bearing MACP No. 128 of 2020 titled 'Gurnam Singh v. Rajesh Singh and others', has been dismissed.

2. As the paper-book reveals, on account of injuries sustained by Gurnam Singh (*respondent No.1 herein*) in a motor vehicular accident, he filed a claim petition seeking compensation under Section 166 of the Motor Vehicles Act, by impleading the driver, owner and insurer of the offending vehicle. Petitioner herein was impleaded as respondent No.3, being insurer of the offending vehicle. The accident had taken place on 26.06.2020. The offending vehicle was insured w.e.f. 08.06.2019 to 07.06.2020 as per policy (*Annexure P-2*) and thereafter, it was renewed with effect from 23.07.2020 to 22.07.2021 vide policy (*Annexure P-3*). Meaning thereby, on the date of accident i.e. 26.06.2020, the offending vehicle was not insured.

3. By pointing out the above facts, the insurer i.e. petitioner herein moved an application to delete its name. Said application was

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accepted by the MACT vide order dated 15.09.2021 (*Annexure P-4*). Another application moved by the claimant to implead the insurance company as a party was dismissed as withdrawn on 16.08.2022 (*Annexure P-5*).

4. Yet another application (*Annexure P-6*) was moved by the claimant on 16.01.2023 by pointing out that during the intervening period of the two policies, relaxation for renewal of the policies etc. had been granted vide a notification of the Government of India, through its Ministry of Road Transport and Highways, on account of lockdown in the country and as such, the vehicle was deemed to be duly insured at the time of accident. The said application was accepted by Learned Tribunal vide order dated 09.01.2024 (*Annexure P-7*) and petitioner was directed to be impleaded as respondent No.3 and notice to it was ordered to be issued. Upon learning of its impleadment as a party to the petition, petitioner - insurer moved an application before the Tribunal to delete its name, but the same was rejected by the Tribunal by way of the impugned order dated 03.03.2025 (*Annexure P-1*), which is assailed before this Court.

5. It is contended by the learned counsel that once the application for deleting the name of petitioner as respondent No. 3 had been allowed by the Tribunal vide order dated 15.09.2021 and later on the application of the claimant for impleading the insurance company was dismissed as withdrawn, the third application for impleading the petitioner as an insurance company was not maintainable. It is further contended by the learned counsel that the notifications of the Government of India through its Ministry of Road Transport and Highways as referred by Learned Tribunal in the impugned order, are not applicable to the case of the insurance companies for the purpose of insurance policies as per clarificatory note appearing in a newspaper (*Annexure P-43*).

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6. After hearing the learned counsel for the petitioner at length, this court does not find any merit in any of the aforesaid contentions.

7. Order I Rule 10 CPC reads as under:-

“Suit in the name of wrong plaintiff. - (1) Where a suit has been instituted in the name of the wrong person as plaintiff or where it is doubtful whether it has been instituted in the name of the right plaintiff, the Court may at any stage of the suit, if satisfied that the suit has been instituted through a bona fide mistake, and that it is necessary for the determination of the real matter in dispute so to do, order any other person to be substituted or added as plaintiff upon such terms as the Court thinks just.

(2) Court may strike out or add parties-. - The Court may at any stage of the proceedings, either upon or without the application of either party, and on such terms as may appear to the Court to be just, order that the name of any party improperly joined, whether as plaintiff or defendant, be struck out, and that the name, of any person who ought to have been joined, whether as plaintiff or defendant, or whose presence before the Court may be necessary in order to enable the Court effectually and completely to adjudicate upon and settle all the questions involved in the suit, be added.

(3) to (5) xxxxxxxxxxxxxxxxxxxxxx (not relevant)

8. Sub-rule (2) of Order I Rule 10 CPC makes it evident that the Court has the power, at any stage of the proceedings, to strike out or add parties—either on application or suo motu—if their presence is necessary for the Court to effectively and completely adjudicate upon and settle all the questions involved in the matter.

9. Section 169 of the Motor Vehicles Act, 1988 provides that the Claims Tribunal shall follow such summary procedure as it deems fit, subject to the principles of natural justice. Though, strict provisions of the Code of Civil Procedure, 1908 do not apply to MACT proceedings, the Hon’ble Supreme Court has consistently held that the general principles underlying the CPC, particularly those ensuring fairness, natural justice, and



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orderly adjudication, are applicable. Thus, while the Tribunal is not bound by technicalities, it cannot act arbitrarily and must adopt a fair procedure akin to CPC principles.

10. In light of the above, the contention of learned counsel that since the Tribunal had earlier allowed deletion of the insurer's name vide order dated 15.01.2021 (Annexure P-4), it could not subsequently pass a fresh order for impleadment, is without merit. A bare perusal of the said order shows that, at that stage, the notifications issued by the Government of India, through its Ministry of Road Transport and Highways (Annexures P-40 to P-42) had not been brought to the Tribunal's notice. Therefore, the earlier deletion cannot be made a ground to assail the subsequent impleadment.

11. Proceeding further, the offending vehicle was insured during the period 08.06.2019 to 07.06.2020, and later on it was insured for the period 23.07.2020 to 22.07.2021. During the intervening period a nationwide lockdown was in force on account of widespread outbreak of corona virus in the country. The Government of India, through Ministry of Road, Transport and Highways, issued a notification dated 24.08.2020 (*Annexure P-40*) which reads as under:-

**"RT-11036/35/2020-MVL
Government of India
Ministry of Road Transport and Highways
(MVL Section)
Transport Bhawan, 1, Parliament Street, New Delhi-110001**

Dated the 24 August, 2020

To

1. The Director General of Police
2. Principal Secretaries/ Secretaries, Department of Transport
3. The Transport Commissioners of all the States and Union Territories.

Subject: Extension of the Validity of documents related to Motor Vehicles Act, 1988 and Central Motor Vehicle Rules, 1989

Madam /Sir,

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Please refer to the order by Ministry of Home Affairs vide No.40-3/2020-DMI(A), Dated 24th March 2020, and the guidelines issued subsequently, pursuant to a decision to impose a complete lock down in view of the threat imposed by the spread of COVID-19. The Government has provided for the availability of the essential goods and production thereof and has allowed the vehicles for the transport of such goods / cargo and further opening up the operation of passenger transport. It had come to the notice of the Government that citizens were facing difficulties in renewal of validity of various documents related to Motor Vehicles Act, 1988 and Central Motor Vehicle Rules, 1989 due to lock-down being at various stages in the country and expected to face long queues in front of Government Transport Offices.

2. In view of the above, Ministry of Road Transport and Highways had issued an advisory dated 30th March, 2020 and 9th June, 2020 to all States and Union Territories regarding extension of validity of the documents related to Motor Vehicles Act, 1988 and Central Motor Vehicle Rules, 1989. It was advised that the validity of Fitness, Permit (all types), Driving License, Registration or any other concerned document(s) whose extension of validity could not or not likely be granted due to lock-down and which had expired since 1st of Feb, 2020 or would expire by 30th of Sep 2020, the same may be treated to be valid till 30th of September 2020. Enforcement authorities were advised to treat such documents valid till 30th of September, 2020.

3. Taking into consideration the grim situation still continuing due to conditions for prevention of spread of COVID-19 across the country, it is advised that the validity of all the of the above referred Documents whose extension of validity could not or not likely be granted due to lockdown and which had expired since 1st of Feb, 2020 or would expire by 31st Dec 2020, the same may be treated to be valid till 31st of December 2020. Enforcement authorities are advised to treat such documents valid till 31st of December 2020. This will help out the citizens in availing transport related services.

4. All the States and Union Territories are requested to implement this advisory in letter and spirit so that the citizens, the transporters, various other organizations which are operating under this difficult time may not get harassed and face difficulties.

Yours faithfully,

Sd/-
(Dr. Piyush Jain) Director (MVL)
Tele/Fax: 23714974
e-mail: director-morth@gov.in"

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12. It is clear from the above said notification that considering the grim situation arising out of the wide spread outbreak of corona virus in the country, the government had issued this notification by clarifying that validity of the fitness, permit, driving license, registration or any other concerned document, whose extension of validity could not or not likely be granted due to lockdown and which had expired since 01.02.2020 and would expire by 30.09.2020, the same may be treated as valid till 30.09.2020 and the enforcement authorities were advised to treat such documents valid till 30.09.2020. Operation of this notification was later extended till 30.06.2021 by virtue of a notification dated 26.03.2021 (*Annexure P-41*) and it was further extended till 31.10.2021 vide notification dated 30.09.2021 (*Annexure P-42*).

13. It is thus clear that during the intervening period (08.06.2020 to 22.07.2020), when the offending vehicle was not covered by an insurance policy, the Government of India had already issued notifications in view of the extraordinary COVID-19 situation, extending the validity of various statutory documents under the Motor Vehicles Act, such as fitness, permits, driving licenses and registrations, so that citizens and transporters were not put to undue hardship. Although insurance policies, being contracts between the insured and the insurer, were not expressly extended by the said notifications, the spirit and intent behind these government measures was to ensure continued validity of essential vehicular documents during the lockdown. As such, the lapse during this brief period was clearly attributable to the unprecedented lockdown restrictions, rather than any deliberate omission on the part of the owner. In these circumstances, and keeping in mind the beneficial object of the Motor Vehicles Act to provide just compensation to victims of accidents, the liability ought not to be disowned by the insurer on technical grounds. In this background, the lapse of insurance during the brief intervening period is ought to be viewed with a liberal approach, and the vehicle should



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not be treated as having been plying without lawful authorization on the date of accident.

14. On account of the entire discussion as above, this Court does not find any merit in the present petition, in the absence of any perversity or illegality in the impugned order. As such, holding the present petition to be devoid of any merit, the same is hereby dismissed.

28.08.2025

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**(DEEPAK GUPTA)
JUDGE**

Whether speaking/reasoned	: Yes/No
Whether reportable	: Yes/No