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

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**FAO-6907-2016 (O&M)
Date of decision: 03.11.2025**

Baldev Singh ......Appellant

Vs.

ICICI Lombard General Insurance Co. Ltd. And Ors. ......Respondents

CORAM: HON'BLE MRS. JUSTICE SUDEEPTI SHARMA

Present: Mr. V.K. Gupta, Advocate
for the appellant.

Mr. Punit Jain, Advocate
for respondent No.1.

Ms. Shivya Sehgal, Advocate
for respondent No.2 (filed Power of Attorney).

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SUDEEPTI SHARMA J.

1. The present appeal has been preferred by the appellant-Owner against the award dated 21.03.2016 passed in the claim petition filed under Section 166 of the Motor Vehicles Act, 1988 by the learned Motor Accident Claims Tribunal, Jalandhar (for short, 'the Tribunal') whereby the claimants were granted compensation to the tune of Rs.9,14,000/- and the Owner was held liable to pay the compensation to the claimants.

FACTS NOT IN DISPUTE

2. Brief facts of the case are that on 30.06.2009 at about 2 PM, the claimant No.1 Gurdev Singh alongwith Amarjit Singh (since deceased) started from Nagar side to Apra Town on their motorcycle make Bullet bearing Registration No.PB-08-AS-7975. Amarjit Singh was driving the motorcycle at a very normal speed on his correct side. When they reached near Thalla Mor, Amarjit Singh dropped the claimant No.1 from the motorcycle and went to fill the petrol in

his motorcycle from the petrol pump. Suddenly, a truck bearing registration No.PB-12-K-8773 driven by respondent No.1 rashly and negligently came and hit the motorcycle of Amarjit Singh. Resultantly, Amarjit Singh fell on the road and suffered multiple injuries on various parts of his body and died at the spot. The accident took place due to rash and negligent driving of Truck bearing Registration No. PB-12-K-8773 by respondent No.1. The police also reached at the spot and on the statement of claimant No.1, the FIR was registered.

3. Upon notice of the claim petition, respondents in claim petition appeared and filed their separate written replies denying the factum of accident and compensation.

4. From the pleadings of the parties, the following issues were framed by the learned Tribunal :-

> *"1. Whether Amarjit Singh lost his life due to rash and negligent driving of Truck bearing Registration No.PB-12-K-8773 driven by respondent No.1? OPP*
>
> *2. Whether the claimants are entitled for compensation, if so, to what extent and from whom? OPP*
>
> *3. Whether the present claim petition is not maintainable? OPR 1 and 2*
>
> *4. Whether the petitioners have not locus standi to file the present petition? OPR 1 & 2*
>
> *5. Whether the petitioners are estopped by their own act and conduct to file the present petition? OPR 1 and 2*
>
> *6. Whether the petitioners have not come to the court with clean hands and suppressed the material facts from the court? OPR 1 and 2*
>
> *7. Whether the petition is time barred? OPR 1 and 2*
>
> *8. Whether the present petition is bad for mis-joinder and non-joinder of the necessarily party? OPR3*
>
> *9. Whether the present petition does not come within the ambit of claim tribunal? OPR3*

> *10. Whether the answering respondent reserves its rights to take the plea about the permit for transportation and validity of driving licence of the driver? OPR3*
>
> *11. Whether the accident occurred due to negligent driving of driver of the motorcycle? OPR3*
>
> *12. Relief."*

5. After taking into consideration the pleadings and the evidence on record, the learned Tribunal awarded compensation to the claimants. However, the appellant-Onwer was held liable to pay the compensation. Hence, the present appeal.

SUBMISSION OF LEARNED COUNSEL FOR THE PARTIES.

6. Learned counsel for the appellant-Owner contends that learned Tribunal has erred in fastening liability upon appellant-Owner to pay the compensation to the claimant-respondent No.2. He further contends that the offending vehicle was duly insured on the date of accident and there was no violation in the term of policy, therefore, the respondent No.1-Insurance Company shall be solely liable to pay the compensation as awarded by learned Tribunal. Therefore, he prays that present appeal be allowed.

7. *Per contra*, learned counsel for respondent No. 1-Insurance Company contends that the accident in question occurred around 02:00 PM whereas, appellant-Owner of the offending vehicle purchased the insurance policy at 04:00 PM, therefore, at the time of accident the offending vehicle was not insured. He therefore, contends that the learned Tribunal has rightly held appellant-Owner liable to pay the compensation. Therefore, he prays for dismissal of the present appeal.

8. Per contra, learned counsel for respondent No.2-Claimant has argued on the line of award and prays for dismissal of the present appeal.

9. I have heard learned counsel for the parties and perused the whole records of the case.

10. Before proceeding further, it is important to reproduce the relevant portion of the impugned award, which reads as under:-

> *"16. Now, comes to the question as to from whom the claimants are entitled to receive this compensation. It has been proved that the deceased Amarjit Singh died in a road side accident due to rash and negligent driving of truck bearing Registration No.PB-12-K-8773 being driven by respondent No.1, Paramjit Singh and was owned by respondent No.2 Baldev Singh. As per the Insurance Policy No.3003/A/54356012/01/BOO, one page of which has been produced as Exhibit RX as per which, the offending vehicle having. Chassis No.108935, Engine No.110558 bearing Registration No.HR-58-0284 was insured in the name of Gurpreet Singh son of Harbhajan Singh VPO Pathreri Jattan, District Ropar, Punjab and the second page which has produced as Mark-A, as per which, the offending vehicle having Chassis No.108935, Engine No.110558 bearing Registration No.HR-58-0284 (Old Value) and PB-12-K-8773 (New value) was insured in the name of Baldev Singh son of Shiv Dayal Singh, Vill. Ferozepur Ropar, District Ropar, Punjab, present respondent No.2, and it is insured with ICICI Lombard General Insurance Company Limited. In this insurance policy (Exhibit RX and Mark-A), the "**Period of Insurance**" is incorporated as "**From 16:28 hour on 30/06/2009 to mid- night on 29/06/2010**". By going through the file, it reveals from the FIR Exhibit P1 which was registered on the statement of Gurdev Singh, father of the deceased, the accident in question was occurred on "**30.06.2009 at about 2 pm**" while the information qua accident was given to the police at about "**16.05 hours on 30.06.2009**" and at that time, it was also reported that Amarjit Singh died at the spot. From all this, it is clear that the accident had already taken place and Amarjit Singh had already died before "**16.05***

> ***hours on 30.06.2009"*** *while the insurance policy was obtained lateron and it is effective* ***"From 16:28 hours on 30/06/2009 to mid-night on 29/06/2010"****. Thus, at the relevant time of accident, the offending vehicle was not insured and it is not covered within the* ***"period of insurance"*** *as mentioned in the insurance policy and as such, no award can be passed against the respondent No.3, ICICI Lombard General Insurance Co. Ltd. Accordingly, this issue is decided in favour of the claimants and against the respondent No.1 and 2."*

11. A perusal of the impugned award reveals that the short but significant question which arises for consideration before this Court is *"As to the point of time from which the insurance policy in question would commence to cover the risk of the insured vehicle."*

12. At the very outset, it deserves to be noted that this issue is no longer res integra, having been authoritatively settled by a Larger Bench of the Hon'ble Supreme Court in ***New India Assurance Company Ltd. v. Smt. Sita Bai; (1999)7 SCC 757***, wherein the Hon'ble Apex Court has categorically held that an insurance policy becomes operative from the time specifically mentioned therein or in the purchase voucher of the policy. In cases where no such time is mentioned, the policy shall be deemed to take effect from the previous midnight of the day on which it is purchased.

13. The relevant observations of the Hon'ble Supreme Court in ***New India Assurance Company Ltd. v. Smt. Sita Bai; (1999)7 SCC 757*** are reproduced as under:-

> *"5 The correctness and applicability of the judgment in Ram Dayal's case (supra) came up for consideration before this Court subsequently in a number of cases. In* ***New India Assurance Co. Ltd. v. Bhagwati Devi and others, 1999(4) RCR (Civil) 350 (SC): Civil Appeal No. 1550 of 1994, decided on***

> ***10.2.1998****, a three-Judge Bench of this Court relied upon the view taken in* ***National Insurance Co. Ltd. v. Jikubhai Nathuji Dabhi (Smt.) and others, 1997(1) SCC 66****, wherein it had been held that if there is a special contract, mentioning in the policy the time when it was bought, the insurance policy would be operative from that time and not from the previous midnight as was the case in Ram Dayal's case, where no time from which the insurance policy was to become effective had been mentioned. It was held that should there be no contract to the contrary, an insurance policy becomes operative from the previous midnight, when bought during the day following, but in cases where there is a mention of the specific time for the purchase of the policy, then a special contract comes into being and the policy becomes effective from the time mentioned in the cover note/the policy itself. The judgment in Jikubhai's case (supra) has been subsequently followed in* ***Oriental Insurance Co. Ltd. v. Sunita Rathi and others, 1998(1) SCC 365: 1998(1) RCR (Civil) 429 (SC)****, by a three-Judge of this Court also."*

14. The aforesaid settled legal proposition has again been reiterated by the Hon'ble Supreme Court in its recent pronouncement in ***National Insurance Company Ltd. v. Maya Devi, 2024 INSC 1050***, wherein the Hon'ble Court has reaffirmed the principle that the commencement of the insurance policy is strictly governed by the specific time and date mentioned therein.

15. The relevant extract from paragraph 12 of the said judgment reads as under:

> *"12. In Oriental Insurance Co. Ltd. v. Dharam Chand, (2010) 15 SCC 141, the Court noted '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. Clearly, Dharam Chand (supra) did not entail any examination of the law due to the fair stand taken by the insurer therein. However, herein we have examined the 'Certificate of Insurance cum Policy Schedule' which states 'Period of Insurance From: 11/04/2017 To: midnight of 10/04/2018'. It also records 'Date of commencement of risk: 11/04/2017'. In this factual backdrop, we have no hesitation to hold that the vehicle was insured when the accident took place. As such, currently, we need not dwell on the law, except to reiterate the view in National Insurance Co. Ltd. v. Sobina Iakai (Smt), (2007) SCC 786 [considering the position, and change, in law enunciated in New India Assurance Co. Ltd. v. Ram Dayal, (1990) 2 SCC 680; National Insurance Co. Ltd. v. Jikubhai Nathuji Dabhi, (1997) 1 SCC 66; Oriental Insurance Co. Ltd. v. Sunita Rathi, (1998) 1 SCC 365; New India Assurance Co. v. Bhagwati Devi, (1998) 6 SCC 534; New India Assurance Co. Ltd. v. Sita Bai, (1999) 7 SCC 575; National Insurance Co. Ltd. v. Chinto Devi, (2000) 7 SCC 50 and J Kalaivani v. K Sivashankar, JT (2001) 10 SC 396] that '...the effectiveness of the insurance policy would start from the time and date specifically incorporated in the policy and not from an earlier point of time."

16. Having examined the settled position of law, this Court now proceeds to consider the facts of the case at hand.

17. The record of the case unequivocally reveals that the accident in question occurred on 30.06.2009 at about 2:00 PM, resulting in the unfortunate death of Amarjit Singh. The insurance policy (Exhibit R/Mark-A) produced on record shows that the period of insurance was stipulated as "From 16:28 hours on 30.06.2009 to midnight on 29.06.2010."

18. A perusal of the First Information Report (Exhibit P1), which was registered on the statement of Gurdev Singh, father of the deceased, further discloses that the information regarding the accident was given to the police at about 16:05 hours on 30.06.2009, and at that time, it was also reported that Amarjit Singh had already died at the spot.

19. From the above facts, it stands established beyond cavil that the accident had occurred and the deceased had already expired prior to 16:28 hours on 30.06.2009, i.e., before the commencement of the insurance policy. Consequently, the offending vehicle was not insured at the relevant time of the accident, and therefore, the risk was not covered within the operative period of the policy.

20. In this backdrop, the learned Motor Accident Claims Tribunal has rightly held that the insurer, respondent No. 3-ICICI Lombard General Insurance Company Ltd. cannot be saddled with liability to indemnify the insured or to satisfy the award. The learned Tribunal has further correctly observed that the liability to pay compensation rests solely upon the appellant-owner of the offending vehicle.

21. This Court finds itself in complete agreement with the reasoning and findings recorded by the learned Tribunal. The conclusion arrived at by the learned Tribunal is based on sound appreciation of evidence as well as correct application of settled legal principles. No perversity or infirmity could be pointed out by the learned counsel for the appellant to warrant interference by this Court in exercise of its appellate jurisdiction.

22. In view of the foregoing discussion and in light of the settled legal position as enunciated by the Hon'ble Supreme Court, this Court is of the considered opinion that the learned Tribunal has rightly held the insurance

company to be not liable, as the accident took place prior to the commencement of the policy.

23. In view of the foregoing discussion, supported by settled proposition of law this Court finds no perversity or illegality in the findings recorded by the learned Tribunal. Accordingly, the same are hereby affirmed.

24. Accordingly, the appeal is dismissed being devoid of any merit.

25. Pending application (s), if any, also stand disposed of.

(SUDEEPTI SHARMA)
JUDGE

03.11.2025
Sahil

Whether speaking/non-speaking : Yes/No
Whether reportable : Yes/No