



2025 INSC 1178

**NON-REPORTABLE**  
**IN THE SUPREME COURT OF INDIA**  
**CIVIL APPELLATE JURISDICTION**

**CIVIL APPEAL NO. \_\_\_\_\_ @**

**SPECIAL LEAVE PETITION (C) NO. 19976 OF 2019**

**NEW INDIA ASSURANCE CO. LTD. ....Appellant (s)**

**VERSUS**

**NARAYAN SINGH & ORS. ....Respondent(s)**

**JUDGMENT**

**N.V. ANJARIA, J.**

Leave granted. Heard learned Advocate for the appellant.

2. This appeal preferred by the Insurance Company is directed against a common judgment and order dated 25.04.2019 passed by the High Court of Uttarakhand whereby the High Court dismissed the Appeal from Order No. 562 of 2007 preferred by the Insurance Company as well as dismissed the Cross Appeal No. 2 of 2018 of the claimants.

2.1 Before the High Court, award dated 29.09.2007 of the Motor Accident Compensation Tribunal, Haldwari, Nainital, in Motor Accident Case No. 175 of 2006 was called in question. The Claims Tribunal awarded Rs. 3,87,000/- as compensation to the claimants, with 7% interest from the date of filing of the application till the payment, recoverable from the Insurance Company.

2.2 The appellant-Insurance Company had filed a review application against the aforesaid judgment and award of the Tribunal, which was dismissed by order dated 12.10.2007. The order passed in the review application was not challenged before the High Court.

3. Basic facts in the background may be noticed. One 21 year old, Hem Singh Mehta, serving as security guard and earning a sum of Rs. 4,000/- per month, met with accident on 21.06.2006. He was coming to Haldwani from Bilaspur. At around 12.30 in the morning, when he was waiting for a bus near Tanda Chowk, the truck driven rashly and negligently, bearing No. UP-02-

2354 hit the said Hem Singh. Hem Singh died while undergoing treatment.

3.1 Recording the findings that the deceased died due to rash and negligent driving of the truck, the Tribunal proceeded to adjudicate and assess the compensation under the various heads. The compensation of Rs. 3,87,000/- was awarded. The owner of the offending vehicle produced insurance policy and stated that the said insurance policy was valid from 17.06.2006 to 16.06.2007. On the basis thereof the Tribunal concluded that since the accident had taken place on 21.06.2006, the coverage of the policy was available.

3.2 After the judgment and award of the Tribunal as aforementioned, the Insurance Company filed a review application raising a ground that when Insurance policy bearing No. 353800/31/06/02/00002785 filed in the claim proceedings by the owner was sent for verification to the issuing office at Rohtak, after verification the competent office informed that the Insurance Policy was valid only for the period from 28.06.2006 to 27.06.2007

and that the owner of the offending vehicle had fraudulently changed the validity dates to show that it was valid from 17.06.2006. The Tribunal, however, did not entertain the review application and repeated the same by order dated 12.10.2007 on the ground that it had no power under the Act to review.

3.3 As stated above, the Insurance Company preferred an appeal by making a submission that the judgment and decree of the Claims Tribunal was based on misrepresentation as the dates of the validity period of the insurance policy was wrongly projected and it was a fraudulent act on the part of the owner to change the dates. The claimants filed appeal for enhancement.

4. The High Court held that the income of the deceased was rightly taken by the Tribunal at Rs. 36,000/- per annum, that the dependency was assessed to be at Rs. 24,000/- and by taking multiplier of 15, the compensation was worked out which was just appropriate compensation. The High Court noted that

the Tribunal had also awarded, the sums towards loss of estate and funeral expenses.

4.1 The High Court observed that the order dated 12.10.2007 passed in the review application of the Insurance Company was not challenged in the appeal, thus dismissing the appeal as well as the cross objections. Only the Insurance Company preferred the present appeal. No further challenge was raised by the claimants against the judgment of the High Court dismissing the Cross Appeal of the claimants.

5. The main contention of the Insurance Company has been that the insurance policy when verified was for the period of 28.06.2006 to 27.06.2007 and on the date of the accident there was no insurance coverage, and the policy was not in operation.

5.1 It is to be noted that this contention was raised by the Insurance Company only in the review petition. Nothing was produced in the main claim proceedings because of which the Tribunal proceeded on the basis

that the insurance policy was valid on the date of the accident. Though the allegation of fraud is levelled but it could not be proved by the insurer.

5.2 Furthermore, the order dated 12.10.2007 passed in the review application was not challenged by the Insurance Company before the High Court for the reasons best known to it.

6. This Court is not inclined to interfere with the judgment and order of the High Court. However, in the totality of the facts and circumstances when it was brought on record that upon a verification of the policy, its period did not cover the date when accident occurred, it would subserve the ends of justice if the appellant-Insurance Company is allowed to recover 50% of the compensation from the owner and the driver in accordance with law.

6.1 If any part of the compensation is not deposited by the appellant-insurance company, the same shall be

deposited by it before the Tribunal concerned within six weeks from today.

7. The impugned judgment and order is partially modified accordingly. The present appeal is dismissed subject to the above modification.

..... J.  
**K. VINOD CHANDRAN**

..... J.  
**N.V. ANJARIA**

**NEW DELHI;**  
**September 26, 2025**