



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

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CWP-9592-2026

Date of Decision: 01.04.2026

THE NEW INDIA ASSURANCE COMPANY LTD. ...Petitioner

Vs.

PERMANENT LOK ADALAT, PUBLIC UTILITY SERVICES & ORS.

...Respondents

CORAM:- HON'BLE MR. JUSTICE JAGMOHAN BANSAL

Present:- Mr. Abhimanyu Kalsy, Advocate for the petitioner

JAGMOHAN BANSAL, J. (ORAL)

1. The petitioner through instant petition under Article 226/227 of the Constitution of India is seeking setting aside of award dated 19.01.2026 passed by learned Permanent Lok Adalat (for short "PLA") whereby insurance claim of respondents has been allowed.

2. One Rakesh Kumar got insured his vehicle bearing registration No.HR-85A-5364 from insurer-petitioner for the period from 10.03.2023 to 09.03.2024. He met with an accident and succumbed to his injuries on 20.09.2023. At the time of accident, he was driving a two-wheeler bearing registration No.HR-85W-2743. Family members of Rakesh Kumar i.e. respondents No.2 to 6 filed claim before PLA on 01.01.2026. They approached PLA without filing claim before the insurer-petitioner. The petitioner in its reply objected claim petition on the ground that claimants have not approached insurer. They filed personal accident cover claim during the pendency of the application before PLA. The petitioner in reply to claimants' letter dated 25.07.2025

vide letter dated 25.08.2025 intimated that claim of the respondents was non-maintainable. The vehicle driven by the deceased (HR85E2743) was not the one as insured by it (HR-85A-5364). Learned PLA wrongly placing reliance upon IRDAI circulars has allowed claim and directed the petitioner to pay Rs.15 lacs to the legal heirs of the deceased.

3. Learned counsel for the petitioner submits that deceased was not driving insured vehicle, thus, PLA has wrongly relied upon General Regulation No.36 of Indian Motor Tariff, 2002.

4. Heard the arguments and perused the record.

5. The findings recorded by PLA read as :-

“17. Clause 4 (v) of the Circular bearing Reference no. IRDAI/NL/CIR/MOTP/200/12/2018 dated 11.12.2018, says that coverage under Stand Alone CPA will extend to all the vehicles owned by the owner-driver under the same policy. In other words, the cover under the Stand Alone CPA policy would be valid when the owner drives any of the vehicles he/she owns. Further Clause 4 (vii) says that the coverage under the stand-alone CPA would continue to be that stipulated under GR 36 A of the erstwhile India Motor Tariff, namely Death and Permanent Disability (Total and Partial). Further Clause 4 (viii) says that since a general personal Accident cover also includes cover against motor accidents, if an owner driver already has a 24 hour Personal Accident cover against Death and Permanent Disability (Total and Partial for CSI of at least Rs. 15 lakhs, there is no need for a separate CPA cover amount to be taken.

18. The aforesaid Circular helps the case set-up by the applicants rather than the respondent insurance company. Since clause 4 (vii) of the aforesaid Circular dated 11.12.2018 specifically says that there is no need for a separate CPA cover amount to be taken if the owner-driver

already has a 24 hour personal accident cover against death and permanent disability for CSI of at least 15,00,000/-, the respondent insurance company cannot absolve itself of its liability to pay the Personal Accidental Cover amount for Owner-Driver that is Rakesh Kumar (deceased) in this case. Where a person owns more than one vehicle, he need not take CPA cover for owner-driver for all the vehicles, he/she owns. Though he/she may have taken CPA cover for owner-driver for any one of the vehicles he/she owns, the insurance company would liable to pay the claim if he/she dies due to accidental injuries sustained by him while driving any of the vehicles he/she owns, provided the CPA cover was valid at the time of accidental death of the insured Owner-Driver. In the present case, CPA cover was valid as on the date of accident and death of insured Rakesh Kumar. The non mentioning of the other vehicle in the insurance policy in question would not make any difference in case of a package policy as per clause 4 (viii) of the aforesaid Circular dated 11.12.2018. The contention of the respondent insurance company thus cannot be accepted.

19. Accordingly it is held that respondent insurance company is liable to pay a sum of Rs. 15,00,000/- towards personal accident cover for owner-driver namely Rakesh Kumar (deceased) along with interest thereon to his dependents/legal heirs.”

6. The only argument raised by petitioner is that deceased was not driving vehicle which was insured by it. He at the time of accident was driving another vehicle which was insured by another Insurance Company. It is undisputed that deceased was owner of two-wheeler bearing registration No. No.HR-85W-2743 as well as four-wheeler bearing registration No. No.HR-85A-5364. The deceased got insured both the vehicles. He was required to get himself insured *qua* one

vehicle. He got himself insured *qua* vehicle bearing registration No.HR-85A-5364. Insurance cover of said vehicle was issued by petitioner. PLA has considered applicable Rules and has concluded that claimants are entitled to compensation because there was personal insurance with respect to one vehicle and there could not be personal insurance with respect to more than one vehicle. This Court does not find any factual or legal infirmity in the order passed by PLA.

7. In the wake of above discussion and findings, this Court is of the considered opinion that the petition deserves to be dismissed and accordingly dismissed.

8. Pending application(s), if any, stands disposed of.

(JAGMOHAN BANSAL)
JUDGE

April 01, 2026
Deepak DPA

Whether Speaking/reasoned	Yes/No
Whether Reportable	Yes/No