



FAO-2647-2006 (O&M)

IN THE HIGH COURT OF PUNJAB & HARYANA  
AT CHANDIGARH

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Date of Decision: May 08, 2025

Amarjit Kaur and others

.....Appellants

Vs.

Maghar Singh and another

.....Respondents

**CORAM: HON'BLE MRS. JUSTICE SUDEEPTI SHARMA**

Present: Mr. Didar Singh, Advocate for  
Mr. S.S. Rangî, Advocate  
for the appellant (s).

Mr. Sandeep Suri, Advocate  
for respondent No.2-Insurance Company

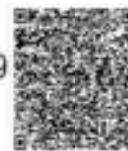
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**SUDEEPTI SHARMA J. (ORAL)**

1. The present appeal has been preferred against the award dated 08.05.2004 passed in the claim petition filed under Section 166 of the Motor Vehicles Act, 1988 by the Learned Motor Accident Claims Tribunal, Ludhiana (for short 'The Tribunal') vide which the claim petition filed by the appellants/claimants for grant of compensation, was dismissed.

**FACTS NOT IN DISPUTE**

2. The brief facts of the case as mentioned in the claim petition are that on 20.08.1999, Gajjan Singh (since deceased) was travelling in truck bearing registration No. PCE-9497. He was owner of this truck. Maghar Singh driver was driving the truck. The truck was being driven from Rajasthan and it was loaded with marble sheets. When the truck reached in the area of village Mehal Kalan on Barnala-Raikot Road, a stray cattle came on the road. Maghar

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Singh- driver of the truck could not control it. The truck fell into the ditches by the road side. The marble sheets broke the driver's cabin and hit Gajjan Singh. He died at the spot due to multiple grievous injuries.

3. Upon notice of the claim petition, respondents appeared and filed written reply denying the factum of accident/compensation.

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

*(1) Whether the petitioners are the legal representatives of deceased Gajjan Singh ? OPA*

*(2) Whether Gajjan Singh died in the accident caused by the rash and negligent driving of Maghar Singh respondent while driving truck No. PCE-9497 ? OPA*

*(3) Whether the petitioners are entitled to claim compensation. If so how much and from which of the respondents? OPA.*

*(4) Whether the driver of the truck in question had no valid and effective driving license at the time of accident. If so its effect. OPR.*

*(5) Whether the owner of the truck had no valid documents of the truck at the time of the accident. If so its effect. OPR.*

*(6) Relief.*

5. After taking into consideration the pleadings and the evidence on record, the learned Tribunal dismissed the claim-petition. Hence, the claimants/appellants filed the present appeal for grant of compensation.



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**SUBMISSIONS OF THE LEARNED COUNSELS FOR THE PARTIES**

6. The learned counsel for the claimants-appellants contend that the claimants were entitled to compensation and the claim petition was wrongly dismissed by the learned Tribunal. Therefore, he prays that the present appeal be allowed and compensation be granted to the appellants/claimants.

7. *Per contra*, learned counsel for the respondent- Insurance Company has argued that the deceased, being the owner of the offending vehicle, did not pay any premium towards personal accident cover under the insurance policy (Ex. R-1), and as such, the risk of the owner-driver was not covered. Therefore, he prays for dismissal of the present appeal.

8. I have heard learned counsel for the parties and perused the whole record of this case.

9. Relevant portion of the award passed by the Ld. Tribunal is reproduced as under:-

*“ISSUE NO. 3*

*8. Amarjit Kaur petitioner deposed that her husband owned three trucks including the truck in question No. PCE-9497. He was transporter and agriculturist. His income was Rs.15,000/- per month.*

*9 Ex. R1 is copy of the insurance policy which shows that Rs. 2779/- were paid as basic premium. Rs. 45/- were paid for premium for the employees. Rs. 75/- were paid as premium for third party property damage. The owner's risk is not covered under the death of the owner of the truck No. PCE-9497. Now the question arises whether the petitioners are entitled to claim compensation on account of the death of Gajjan Singh, who was owner of this truck and who was traveling in the truck, when the*



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*accident took place. The insurance policy shows that no separate premium was paid for the purpose of covering the risk of owner himself. Hence, the Insurance Company is not liable to pay compensation. The case of **Hemlata Sahu and others-Appellants Vs. Ramadhar and another-Respondents (2000 ACJ 134)** is referred here. There was a collision between a scooter and cycle due to negligence of the cyclist resulting in death of the scooterist, who was the owner and insured. There was no evidence to show that any separate premium was paid for the purpose of covering risk of the owner himself. The question arose whether the Insurance Company is liable. It was held that Insurance Company was not liable. The Insurance Company insures the liability of the insured and does not insure the insured. So the petitioners are not entitled to claim ) compensation from respondent No. 3 Insurance Company.*

*10. So far as Maghar Singh respondent No. 1 is concerned, he was employee of the deceased. For his wrongful driving which resulted into the death of Gajjan Singh owner of the truck, compensation cannot be claimed from Maghar Singh driver. This issue is decided against the petitioners.”*

10. A perusal of the impugned award reveals that the appellant/claimant-Smt. Amarjit Kaur, deposed that her husband-Gajjan Singh (since deceased) was the owner of three trucks including the offending vehicle bearing registration No. PCE-9497.

11. Further, the Insurance Policy (Ex. R-1) indicates that a total premium of Rs. 2,779/- was paid as basic premium. Additionally, Rs. 45/- was paid towards coverage for employees and Rs. 75/- for third-party property damage. However, no separate premium was paid to cover the personal risk of

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the owner-driver. The learned Tribunal has rightly observed that the deceased was travelling in the offending vehicle at the time of the accident and was himself the registered owner of the offending vehicle. The accident was not caused by the involvement of any third-party vehicle. Thus, the claim essentially pertains to the risk to the owner himself, for which no premium was paid.

12. The law in this regard is settled. In ***Dhanraj v. New India Assurance Co. Ltd., [(2004) 8 SCC 553]***, wherein Hon'ble the Supreme Court categorically held that an owner of a vehicle is not covered under the policy unless a personal accident cover is specifically taken and premium paid for the same. The insurance policy covers third-party risks and does not automatically extend to the insured unless such risk is specifically insured. The relevant extract of the same is reproduced as under :-

*"We have seen the Policy. It is a comprehensive policy. The question that arises is whether a comprehensive Policy would cover the risk of injury to the owner of the vehicle also. Section 147 of the Motor Vehicles Act, 1988 reads as follows:-*

*"147. Requirements of policies and limits of liability.(1) In order to comply with the requirements of this Chapter, a policy of insurance must be a policy which*

*(a) is issued by a person who is an authorized insurer; or*

*(b) insurer the person or classes of persons specified in the policy to the extent specified in sub-section (2)*

*(i) against any liability which may be incurred by him in respect of the death of or bodily injury to any person, including owner of the goods or his authorized representative carried in the vehicle or damage to any property of a third party caused by or arising out of the use of the vehicle in a public place;*



*(ii) against the death of or bodily injury to any passenger of a public service vehicle caused by or arising out of the use of the vehicle in a public place:*

*Provided that a policy shall not be required*

*(i) to cover liability in respect of the death, arising out of and in the course of his employment, of the employee of a person insured by the policy or in respect of bodily injury sustained by such an employee arising out of and in the course of his employment other than a liability arising under the [Workmen's Compensation Act, 1923](#) (8 of 1923) in respect of the death of or bodily injury to, any such employee*

*(a) engaged in driving the vehicle, or*

*(b) if it is a public service vehicle engaged as conductor of the vehicle or in examining tickets on the vehicle, or*

*(c) if it is a goods carriage, being carried in the vehicle, or*

*(ii) to cover any contractual liability.*

*Explanation. For the removal of doubts, it is hereby declared that the death of or bodily injury to any person or damage to any property of a third party shall be deemed to have been caused by or to have arisen out of, the use of a vehicle in a public place notwithstanding that the person who is dead or injured or the property which is damaged was not in a public place at the time of the accident, if the act or omission which led to the accident occurred in a public place.*

*(2) Subject to the proviso to sub-section (1), a policy of insurance referred to in sub-section (1), shall cover any liability incurred in respect of any accident, up to the following limits, namely:--*

*(a) save as provided in clause (b), the amount of liability incurred;*

*(b) in respect of damage to any property of a third party, a limit of rupees six thousand:*

*Provided that any policy of insurance issued with any limited liability and in force, immediately before the commencement of this Act, shall continue to be effective for a period of four months after such commencement or till the date of expiry of such policy whichever is earlier."*

*Thus, an insurance policy covers the liability incurred by the insured in respect of death of or bodily injury to any person (including an owner of the goods or his authorized*



*representative) carried in the vehicle or damage to any property of a third party caused by or arising out of the use of the vehicle. Section 147 does not require an Insurance Company to assume risk for death or bodily injury to the owner of the vehicle.*

*In the case of Oriental Insurance Co. Ltd. Vs. Sunita Rathi & Ors. [1998 ACJ 121] it has been held that the liability of an Insurance Company is only for the purpose of indemnifying the insured against liabilities incurred towards third person or in respect of damages to property. Thus, where the insured i.e. an owner of the vehicle has no liability to a third party the Insurance Company has no liability also.*

*In this case, it has not been shown that the policy covered any risk for injury to the owner himself. We are unable to accept the contention that the premium of Rs.4,989/- paid under the heading "Own damage" is for covering liability towards personal injury. Under the heading "Own damage", the words "premium on vehicle and non-electrical accessories" appear. It is thus clear that this premium is towards damage to the vehicle and not for injury to the person of the owner. An owner of a vehicle can only claim provided a personal accident insurance has been taken out. In this case, there is no such insurance.*

*We, therefore, see no infirmity in the Judgment of the High Court. We see no reason to interfere. The Appeals stand dismissed.*

13. In view of the above legal position and on a careful appraisal of the evidence on record, this court find no illegality or infirmity in the findings recorded by the learned Tribunal. The conclusions drawn are supported by cogent reasoning and are in consonance with the settled principles of law.

14. Accordingly, this Court finds no legal infirmity in the impugned award dated 08.05.2004, and the same is hereby upheld. Consequently, the present appeal is **dismissed** being devoid of any merit.

15. The Insurance Company is hereby directed to disburse the current scheduled fee to Mr. Sandeep Suri, Advocate within a period of 20 days from



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the date of receipt of the copy of this order, in view of the order dated 18.07.2024 passed in FAO No.1682 of 2007, by this Court.

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

**(SUDEEPTI SHARMA)  
JUDGE**

May 08, 2025

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Whether speaking/reasoned: Yes / No

Whether reportable: Yes / No