RESEARCH QUESTION

"What steps must a vehicle owner in India take after vehicle theft for the FIR and insurance claim, what have courts held about claim rejection for delayed intimation to the insurer, and what is the untraced report process?"

Steps, Timelines, and Legal Standards for FIR, Insurance Claims, and Untraced Reports Following Vehicle Theft in India

TL;DR

Following a vehicle theft in India, the owner must immediately register an FIR under Section 154 of the CrPC (now Section 173 of the BNSS) and notify the insurer within a reasonable timeframe, cooperating fully with police recovery efforts and the insurer's investigation. The Supreme Court of India in *Gurshinder Singh v. Shriram General Insurance Co. Ltd.* (2020) established that when an FIR is registered promptly and the theft is verified as genuine, a technical delay in notifying the insurance company does not constitute a fundamental breach of policy conditions and cannot be used as a ground to repudiate the claim. Once the police conclude that the vehicle cannot be recovered, they file a final "untraced report" under Section 173 CrPC, which, upon judicial acceptance by the Magistrate, provides the definitive legal proof of loss required for the final settlement of the insurance claim.

VERIFIED CASES	STATUTES	LATEST RULING
19	5	2025
14 *High Courts* · 5 *SC*		*High Court of Punjab and Haryana*

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I. Detailed Analysis

KEY PRINCIPLES ESTABLISHED

01 **Mandatory Registration of FIR for Cognizable Offenses**

Police are legally obligated under Section 154 of the CrPC to register an FIR immediately if the complaint discloses a cognizable offense such as vehicle theft under Section 379 IPC (*Not Provided v. Not Provided* (2015)).

02 **Insured's Primary Duty is Prompt Police Notification over Insurer Intimation**

In theft cases, the primary duty of the insured is to notify the police immediately so the state machinery can be activated to recover the vehicle. Notifying the insurer is secondary, as the insurer's surveyor primarily assesses the genuineness of the theft rather than undertaking recovery (*Jaina Construction Company v. The Oriental Insurance Company Limited* (2022)).

03 **Technical Rejections for Delayed Insurer Notification are Unjustified**

Rejection of genuine claims on purely technical grounds of delay in notifying the insurer is impermissible if the theft itself is verified and the owner was engaged in explaining or resolving the delay (*Om Prakash v. Reliance General Insurance and Anr.* (2017)).

04 **Judicial Acceptance of Police Untraced Report Confirms Genuineness**

The police's submission of a final "untraced report" under Section 173 CrPC and its acceptance by the Magistrate establishes the absolute genuineness of the loss, leaving no basis for the insurer to deny the claim (*New India Assurance Company Ltd. v. Permanent Lok Adalat* (2025)).

05 **Breach of Vehicle Usage Conditions does not Nullify Theft Indemnity**

Under a comprehensive policy, technical breaches of usage conditions (such as carrying unauthorized passengers) are not germane to the theft and cannot be used to repudiate the claim in toto (*National Insurance Co. Ltd. v. Nitin Khandelwal* (2008)).

06 Mala Fide Delay and Failure to Safeguard are Legitimate Repudiation Grounds

An unexplained, inordinate delay coupled with suspicious conduct, deliberate non-cooperation, or failure to secure the vehicle keys indicates a breach of the duty of utmost good faith (*National Insurance Company Limited v. Sethia Oil Industries Limited* (2025)).

HOW THE COURTS HAVE APPLIED THIS

SUPREME COURT POSITION	The apex court has consistently ruled that because consumer protection laws are beneficial legislations, they require a pragmatic and liberal construction. Thus, where an owner's driver stops to offer a lift on a winter night as a humanitarian gesture and the vehicle is subsequently stolen, it is considered a non-fundamental breach that requires the insurer to settle the claim on a non-standard basis (75% of the IDV) rather than rejecting it outright (*Manjeet Singh v. National Insurance Company Ltd. & Anr.* (2017)).
HIGH COURT VARIATIONS	High Courts have robustly protected consumers against police-induced administrative delays. For instance, the Rajasthan High Court ruled that where an insured drafts and presents a typed complaint to the police immediately, any subsequent delay by the police in registering the FIR cannot be used by the insurer to escape liability (*United India Insurance Company Limited v. Smt. Mora Devi* (2020)). Similarly, a 19-day delay in intimating the insurer was held to be minor and not inordinate when the police were notified on the very next day (*Sriram General Insurance Company Ltd. v. Kasim Khan* (2016)). Furthermore, High Courts have upheld claim repudiation where the insured fails to provide basic documentation and the duplicate keys, raising a strong probability of negligence or fraud (*Rajnish Kumar v. Insurance Ombudsman* (2024)).
RECENT EVOLUTION	Recent rulings continue to emphasize that standard insurance policies only mandate "immediate notice" to the police to secure recovery. Where no specific, rigid timeframe is stipulated for notifying the insurance company itself, minor delays of a few days are treated as inconsequential to the validity of the claim (*The Manager, New India Assurance Company Limited v. Amulya Kumar Nayak* (2025)).

UNSETTLED AREAS OR CAVEATS

Excusable Administrative Delay vs. Contributory Negligence

While courts routinely excuse delays caused by police verification or processing (*Tata AIG General Insurance Company Limited v. Hansraj Saini* (2020)), the boundaries of what constitutes "reasonable care" in safeguarding the vehicle keys and registration papers remains highly fact-dependent and subject to strict verification by investigators.

II. Statutory Provisions

5 PROVISIONS

SECTION 379, INDIAN PENAL CODE — PUNISHMENT FOR THEFT

This section prescribes the criminal punishment for committing theft, which is a key legal basis when registering an FIR for a stolen vehicle.

> "379. Punishment for theft.—Whoever commits theft shall be punished with imprisonment of either description for a term which may extend to three years, or with fine, or with both." *Cited in*:

SECTION 160, MOTOR VEHICLES ACT, 1988 — DUTY TO FURNISH PARTICULARS OF VEHICLE INVOLVED IN ACCIDENT

Requires the police or registering authority to provide vehicle and accident particulars to an injured claimant or insurance company.

> "160. Duty to furnish particulars of vehicle involved in accident.—A registering authority or the officer-in-charge of a police station shall, if so required by a person who alleges that he is entitled to claim compensation in respect of an accident arising out of the use of a motor vehicle, or if so required by an insurer against whom a claim has been made in respect of any motor vehicle, furnish to that person or to that insurer, as the case may be, on payment of the prescribed fee, any information at the disposal of the said authority or the said police officer relating to the identification marks and other particulars of the vehicle and the name and address of the person who was using the vehicle at the time of the accident or was injured by it and the property, if any, damaged in such form and within such time as the Central Government may prescribe." *Cited in*:

SECTION 173, BHARATIYA NAGARIK SURAKSHA SANHITA, 2023 — INFORMATION IN COGNIZABLE CASES

Governs the registration of a First Information Report (FIR) for cognizable offenses, including vehicle theft, either orally or through electronic communication.

> "173. Information in cognizable cases.—(1) Every information relating to the commission of a cognizable offence, irrespective of the area where the offence is committed, may be given orally or by electronic communication to an officer in charge of a police station, and if given— (i) orally, it shall be reduced to writing by him or under his direction, and be read over to the informant; and every such information, whether given in writing or reduced to writing as aforesaid, shall be signed by the person giving it; (ii) by electronic communication, it shall be taken on record by him on being signed within three days by the person giving it, and the substance thereof shall be entered in a book to be kept by such officer in such form as the State Government may by rules prescribe in this behalf: (2) A copy of the information as recorded under sub-section (1) shall be given forthwith, free of cost, to the informant." *Cited in*:

SECTION 168, CODE OF CRIMINAL PROCEDURE, 1973 — REPORT OF INVESTIGATION BY SUBORDINATE POLICE OFFICER

Mandates that a subordinate police officer who conducts an investigation must report the findings to the officer-in-charge of the police station.

> "168. Report of investigation by subordinate police officer.—When any subordinate police officer has made any investigation under this Chapter, he shall report the result of such investigation to the officer in charge of the police station." *Cited in*:

SECTION 158, CODE OF CRIMINAL PROCEDURE, 1973 — REPORT HOW SUBMITTED

Specifies the procedure for submitting police reports to a Magistrate, which may be routed through a designated superior police officer.

> "158. Report how submitted.—(1) Every report sent to a Magistrate under section 157 shall, if the State Government so directs, be submitted through such superior officer of police as the State Government, by general or special order, appoints in that behalf.\n\n(2) Such superior officer may give such instructions to the officer in charge of the police station as he thinks fit, and shall, after recording such instructions on such report, transmit the same without delay to the Magistrate." *Cited in*:

III. Cases Discussed

19 CASES · SUMMARY TABLE

#	CASE TITLE	COURT	YEAR	KEY HOLDING
01	*Jaina Construction Company v. The Oriental Insurance Company Limited* ESCR010001542022	SUPREME COURT OF INDIA	2022	Insurer cannot repudiate a genuine, verified theft claim solely for technical delay in notification.
02	*New India Assurance Company Ltd. v. Permanent Lok Adalat* PHHC011418422024	HIGH COURT OF PUNJAB AND HARYANA	2025	Minor delay in notifying insurer is immaterial if the FIR is promptly registered.
03	*M/s. Shobha Cloth Centre v. The Oriental Insurance Company* HCMA010106772006	MADRAS HIGH COURT	2025	Interprets policy clause requiring immediate police notice and cooperation in theft cases.
04	*National Insurance Co. Ltd. v. Nitin Khandelwal* ESCR010012862008	SUPREME COURT OF INDIA	2008	Breach of usage conditions is not germane in cases of comprehensive vehicle theft.
05	*Sriram General Insurance Company Ltd. v. Kasim Khan* PHHC010850202014	HIGH COURT OF PUNJAB AND HARYANA	2016	A 19-day delay in informing the insurer is minor and not inordinate.
06	*Rajender v. Reliance General Insurance Company Limited* PHHC010917432014	HIGH COURT OF PUNJAB AND HARYANA	2016	Minor delays in presenting untraced reports and keys do not warrant claim rejection.
07	*The Manager, New India Assurance Company Limited v. Amulya Kumar Nayak* ODHC010916642024	ORISSA HIGH COURT	2025	Absence of stipulated notification timeline in policy prevents rejection for minor delays.
08	*National Insurance Company Limited v. Sethia Oil Industries Limited* WBCHC00002552020	CALCUTTA HIGH COURT	2025	Unexplained delay and suspicious conduct indicate bad faith, justifying claim repudiation.
09	*Manjeet Singh v. National Insurance Company Ltd. & Anr.* ESCR010001582017	SUPREME COURT OF INDIA	2017	Driver's humanitarian gesture of stopping is not a fundamental breach of policy.
10	*Sumit Kumar v. The State of Bihar* BRHC010287602020	PATNA HIGH COURT	2020	Police must mandatorily register an FIR when information discloses a cognizable offense.
11	*Om Prakash v. Reliance General Insurance and Anr.* ESCR010000942017	SUPREME COURT OF INDIA	2017	Hyper-technical and mechanical rejection of genuine claims on grounds of delay is unfair.
12	*United India Insurance Company Limited v. Smt. Mora Devi* RJHC010024692020	HIGH COURT OF RAJASTHAN	2020	Insured cannot be penalized for police delay in registering an immediate complaint.

#	CASE TITLE	COURT	YEAR	KEY HOLDING
13	*Tata AIG General Insurance Company Limited v. Hansraj Saini* RJHC020069582020	HIGH COURT OF RAJASTHAN	2020	Delayed FIR registration is immaterial if the insurer is notified of theft immediately.
14	*Ranjan Kumar Jena v. General Insurance Company Ltd.* ODHC010011382013	ORISSA HIGH COURT	2022	Accepted Section 173 CrPC final untraced report legally establishes genuine theft.
15	*National Insurance Co. Ltd. v. Vinod Kumar* PHHC010986772016	HIGH COURT OF PUNJAB AND HARYANA	2016	Police indifference causing delayed FIR registration cannot be used to deny claim.
16	*Not Provided v. Not Provided* HBHC010341972015	HIGH COURT FOR STATE OF TELANGANA	2015	FIR registration is mandatory under Section 154 CrPC for cognizable offenses.
17	*Rajnish Kumar v. Insurance Ombudsman* PHHC010558792021	HIGH COURT OF PUNJAB AND HARYANA	2024	Misrepresentation of vehicle history and failure to submit keys justifies claim repudiation.
18	*Gurshinder Singh v. Shriram General Insurance Co. Ltd. & Anr.* ESCR010001702020	SUPREME COURT OF INDIA	2020	Delayed insurer notification is not fatal to theft claim if FIR was prompt.
19	*Smt. Shanti v. National Insurance Co. Ltd.* JHHC010104572010	HIGH COURT OF JHARKHAND	2022	Pragmatic construction of beneficial consumer legislation prevents hyper-technical repudiations.

IV. Case Details

19 CASE FILES

01 Jaina Construction Company v. The Oriental Insurance Company Limited

SUPREME COURT OF INDIA · 2022-02-11 · 2022 INSC 177

The appellant filed a claim for the theft of an insured vehicle after the police were unable to trace it. The insurance company rejected the claim solely due to a delay in notification. Lower consumer forums initially allowed the claim, but the National Consumer Disputes Redressal Commission (NCDRC) overturned these orders, citing a breach of policy conditions regarding timely notice.

HELD The Court decided that a five-month delay in intimating the insurance company was immaterial because the FIR had been registered immediately after the theft and the police eventually filed an untraceable report. It confirmed that technical breaches of notification clauses cannot be used to escape liability when the genuineness of the theft is undisputed.

> "In case of a major loss, theft or criminal act which may be the subject of a claim under this policy the insured shall give immediate notice to the police and co-operate with the company in securing the conviction of the offender."

SUPREME COURT OF INDIA · 2022 | SOURCE ESCR010001542022

02 New India Assurance Company Ltd. v. Permanent Lok Adalat

HIGH COURT OF PUNJAB AND HARYANA · 2025-09-15 · CWP/28763/2024

The petitioner, an insurance company, challenged an award by the Permanent Lok Adalat regarding a stolen vehicle claim. The insurance company had initially repudiated the claim based on a delay in notification, citing a breach of policy conditions. The High Court, relying on established Supreme Court precedents, held that when an FIR is promptly lodged and the theft is verified as genuine, a minor delay in notifying the insurance company does not justify the rejection of an otherwise valid claim. Consequently, the court upheld the legitimacy of the insurance claim but modified the award to restrict the payout to the insured value specified in the policy.

HELD The High Court held that a 12-day delay in lodging the FIR and the subsequent delay in informing the insurer were immaterial. Since the police investigated the incident, filed an Untraced Report, and the Magistrate accepted it, the insurer's repudiation of the claim was completely unjustified.

> "We, therefore, hold that when an insured has lodged the FIR immediately after the theft of a vehicle occurred and when the police after investigation have lodged a final report after the vehicle was not traced and when the surveyors/investigators appointed by the insurance company have found the claim of the theft to be genuine, then mere delay in intimating the insurance company about the occurrence of the theft cannot be a ground to deny the claim of the insured."

HIGH COURT OF PUNJAB AND HARYANA · 2025 | SOURCE PHHC011418422024

03 M/s. Shobha Cloth Centre v. The Oriental Insurance Company

MADRAS HIGH COURT · 2025-01-06 · SA/528/2006

The appellant, the owner of an insured car, sought damages for an accident that occurred in 2000. Following the accident, criminal proceedings were initiated against the owner's son, which resulted in his eventual acquittal after it was determined that a different person was driving. Consequently, the owner filed an insurance claim roughly 18 months after the incident. The insurance company rejected the claim, citing a significant delay in reporting the accident and the inability to conduct an immediate survey of the damaged vehicle as required by the policy terms. While the trial court initially granted the claim, the first appellate court reversed this decision. On appeal, the High Court considered whether the delayed notice invalidated the insurance contract and the claim for damages.

HELD The High Court noted that the policy's standard conditions mandate that in cases of theft or criminal acts, the insured must provide immediate notice to the police and cooperate with the company. While this was an accident claim with a 1.5-year delay that hindered damage assessment, the court set out the distinct standard required for theft claims under the same policy conditions.

> "In case of theft or criminal act which may be subject of a claim under this policy the insured shall give immediate notice to the policy and co-operate with company in securing the conviction of the offender."

MADRAS HIGH COURT · 2025 | SOURCE HCMA010106772006

04 National Insurance Co. Ltd. v. Nitin Khandelwal

SUPREME COURT OF INDIA · 2008-05-08 · 2008 INSC 609

The respondent's vehicle, which was insured under a comprehensive policy for personal use, was stolen while allegedly being used as a taxi. The insurance company denied the claim, citing a violation of the policy's terms regarding the vehicle's permitted usage. While lower consumer forums initially ordered a partial settlement, the Supreme Court held that in cases involving the theft of a vehicle, the nature of the vehicle's use is irrelevant. The court ruled that the insurance company cannot repudiate a claim for a stolen, comprehensively insured vehicle based on technical breaches of usage conditions, as such breaches are not germane to the loss caused by theft.

HELD The Supreme Court ruled that in cases of vehicle theft, any breach of policy conditions regarding the nature of use of the vehicle is not germane. The insurer remains liable to indemnify the owner under a comprehensive policy for the loss caused by theft, and cannot repudiate the claim in its entirety.

> "In the case in hand, the vehicle has been snatched or stolen. In the case of theft of vehicle breach of condition is not germane. The appellant Insurance Company is liable to indemnify the owner of the vehicle when the insurer has. obtained comprehensive policy for the loss caused to. the insurer."

SUPREME COURT OF INDIA · 2008 | SOURCE ESCR010012862008

05 Sriram General Insurance Company Ltd. v. Kasim Khan

HIGH COURT OF PUNJAB AND HARYANA · 2016-09-23 · CWP/21567/2014

The insurance company challenged a decision by the Permanent Lok Adalat which had ordered the payment of a theft claim. The respondent's motorcycle was stolen and reported to the police the following day, but the insurance company was not notified until 19 days later. The company argued this delay violated policy conditions requiring immediate notification.

HELD The High Court held that a 19-day delay in informing the insurance company did not constitute an inordinate delay that would defeat a genuine claim, particularly when the police had been informed on the very next day after the theft.

> “Similarly, in the present case, there is hardly any fault on the part of respondent No.1 who had intimated the police on the very next day of the theft but intimated the Insurance Company after 19 days, which is not an inordinate delay as against the period involved in Oriental Insurance Co. Ltd.'s case (supra), in which there was a delay of 4 months, and in National Insurance Co. Ltd.'s case (supra), in which there was 275 days' delay.”

HIGH COURT OF PUNJAB AND HARYANA · 2016 | SOURCE PHHC010850202014

06 Rajender v. Reliance General Insurance Company Limited

HIGH COURT OF PUNJAB AND HARYANA · 2016-09-28 · CWP/3319/2014

The petitioner challenged an order by the Permanent Lok Adalat which dismissed his claim for insurance compensation following the theft of his vehicle. The insurance company had rejected the claim citing a minor delay in the submission of required documentation, specifically the police untraced report and vehicle keys. The High Court found that such procedural delays were not inordinate and did not justify the rejection of an otherwise valid claim, consistent with judicial precedents regarding timely notification of insurance claims. Consequently, the court set aside the Lok Adalat's order and directed the insurance company to pay the insured amount to the petitioner.

HELD The High Court ruled that minor delays by the insured in intimating the company (22 days) and submitting documentation such as police untraced reports and keys do not warrant a complete repudiation of the claim, particularly where the police were notified on the day after the incident.

> “In view of the aforesaid facts and circumstances, I am of the considered opinion that the impugned order passed by the Lok Adalat is totally illegal and is hereby set aside and the writ petition is allowed, directing the respondent-insurance company to pay the insured amount to the petitioner…”

HIGH COURT OF PUNJAB AND HARYANA · 2016 | SOURCE PHHC010917432014

07

The Manager, New India Assurance Company Limited v. Amulya Kumar Nayak

ORISSA HIGH COURT · 2025-01-17 · WP(C)/98/2025

The dispute involved an insurance claim for a stolen truck, which the New India Assurance Company had repudiated. The District Consumer Dispute Redressal Commission initially allowed the insured's claim, but the State Commission later reversed this decision. On revision, the National Consumer Dispute Redressal Commission set aside the State Commission's order and restored the original award for the insured. The Insurance Company then filed a writ petition challenging these findings, citing policy violations and a significant delay in the initial filing of the consumer complaint. The High Court dismissed the petition, ruling that the policy did not specify a timeline for claims and that the issues regarding delay had already been properly adjudicated by the lower consumer forums.

HELD The High Court ruled that a short delay of 5 to 6 days in registering an FIR does not justify repudiation of a genuine theft claim. It observed that policy conditions do not prescribe a rigid timeline to notify the insurance company but only a duty to notify the police immediately and cooperate with the insurer.

> “Since, the policy conditions never stipulates any time to lodge an FIR, it cannot be said that mere delay of five or six days is sufficient to repudiate the genuine claim of a person.”

ORISSA HIGH COURT · 2025 | SOURCE ODHC010916642024

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08 National Insurance Company Limited v. Sethia Oil Industries Limited

CALCUTTA HIGH COURT · 2025-08-20 · APD/1/2020

This case concerns an insurance claim for the loss of three consignments of rice bran oil transported by road, which the appellant insurance company had repudiated on grounds of policy violations and lack of proof. The trial court decreed the suit in favour of the respondent, finding that the insurance policy covered the losses and that the insurer failed to substantiate claims of breach of terms or overloading. On appeal, the appellant contended that the trial court erroneously relied on evidence not properly tendered or proven, specifically a surveyor's report, and raised issues regarding the limitation period. The matter remained pending for adjudication on the validity of these evidentiary and procedural challenges.

HELD The High Court ruled that in cases of transit vehicle losses, unexplained inordinate delays in lodging the FIR or notifying the insurer can raise serious doubts about the genuineness of the claim. If the delay is coupled with suspicious conduct, it acts as a strong indicator of bad faith, justifying claim repudiation.

> “Delay in lodging FIR or providing immediate notice especially when coupled with other suspicious conduct can be a strong indicator of mala fide intent requiring closer scrutiny of the claim. Immediate lodging of FIR and co -operation with police is essential in case of theft of a vehicle; delay in informing the insurer and failure to safeguard the vehicle can lead to repudiation of the claim.”

CALCUTTA HIGH COURT · 2025 | SOURCE WBCHC00002552020

09

Manjeet Singh v. National Insurance Company Ltd. & Anr.

SUPREME COURT OF INDIA · 2017-12-08 · 2017 INSC 1206

The appellant's truck was stolen after his driver gave a lift to passengers on a winter night. The insurance company repudiated the theft claim, arguing the driver's actions constituted a breach of the insurance policy, and lower forums upheld this denial. The Supreme Court of India set aside these orders, ruling that giving a lift as a humanitarian gesture did not constitute a fundamental breach sufficient to nullify the insurance policy. The Court clarified that such breaches are considered 'non-standard' and directed the insurer to pay 75% of the insured amount plus interest and compensation. Additionally, the Court noted that separate arbitration proceedings between a financier and the insurer do not affect the insured's claim rights.

HELD The Supreme Court held that the driver's act of offering a lift to passengers on a cold night was a humanitarian gesture and not a fundamental breach of policy. The subsequent assault and theft of the truck by those passengers was unforeseen, and therefore the claim must be settled on a non-standard basis at 75% of the insured value.

> “The violation of the condition should be such a fundamental breach so that the claimant cannot claim any amount whatsoever. In the instant case, the appellant who is the owner, was not at fault. His driver gave a lift to some passengers. Carrying such passengers may be a breach of the policy, but it cannot be said to be such a fundamental breach as to bring the insurance policy to an end and to terminate the insurance policy.”

SUPREME COURT OF INDIA · 2017 | SOURCE ESCR010001582017

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10 Sumit Kumar v. The State of Bihar

PATNA HIGH COURT · 2020-12-22 · CR. WJC/333/2020

This case involved a criminal writ petition regarding the illegal detention of a vehicle and its driver by police officials at Parsa Police Station. The petitioner alleged that the authorities seized the milk tanker and driver without filing a First Information Report (FIR) or following legal procedures for over a month. The Court found the state's explanation to be a fabricated story, noting that the police only registered an FIR after the Court intervened. The Director General of Police admitted on affidavit that the SHO involved had acted with procedural irregularities and committed dereliction of duty. The Court condemned the illegal detention as a violation of fundamental rights and directed disciplinary action against the erring officials.

HELD The High Court emphasized the mandatory statutory obligation of police officers under Lalita Kumari guidelines to register an FIR immediately if the complaint reveals a cognizable offense, such as vehicle theft. Police cannot avoid this duty by conducting unauthorized or prolonged preliminary inquiries.

> “If the inquiry discloses the commission of a cognizable offence, the FIR must be registered. In cases where preliminary inquiry ends in closing the complaint, a copy of the entry of such closure must be supplied to the first informant forthwith and not later than one week. It must disclose reasons in brief for closing the complaint and not proceeding further.”

PATNA HIGH COURT · 2020 | SOURCE BRHC010287602020

11 Om Prakash v. Reliance General Insurance and Anr.

SUPREME COURT OF INDIA · 2017-10-04 · 2017 INSC 1001

The appellant filed an insurance claim after his truck was stolen. The insurance company rejected the claim on the technical ground that the intimation of theft was delayed by eight days, breaching the policy terms. The appellant argued that the delay occurred because he was assisting police in searching for the vehicle.

HELD The Supreme Court ruled that an 8-day delay in informing the insurer was fully excused because the owner was actively assisting the police in tracing the stolen vehicle. It declared that delay notification clauses should not be used as a shelter to escape liability for genuine and verified claims.

> "If the reason for delay in making a claim is satisfactorily explained, such a claim cannot be rejected on the ground of delay… The condition regarding the delay shall not be a shelter to repudiate the insurance claims which have been otherwise proved to be genuine."

SUPREME COURT OF INDIA · 2017 | SOURCE ESCR010000942017

12 United India Insurance Company Limited v. Smt. Mora Devi

HIGH COURT OF RAJASTHAN · 2020-03-18 · CW/875/2020

The petitioner, an insurance company, challenged a Permanent Lok Adalat award that directed it to pay a vehicle theft claim. The company had rejected the claim alleging an unexplained sixteen-day delay in filing the FIR, which they argued violated policy conditions. However, the respondent contended that the FIR was drafted and presented to the police immediately upon the theft, but the police registered it with a significant delay. The High Court found that the insurance company failed to prove the respondent caused the delay and accepted the respondent's evidence. Citing precedent regarding hyper-technical rejection of claims, the Court upheld the award, concluding that the insurance company failed to establish a breach of policy conditions.

HELD The High Court held that the insurer was not justified in rejecting the claim based on a 16-day delay in FIR registration. The claimant had drafted the report immediately, and the subsequent delay was entirely attributable to the police station's administrative process.

> "The PLA after hearing the parties, came to the conclusion that the report was got typed on 20.11.2015 and the same was produced before the police station, which has been registered by the police officer after 16 days and therefore, it cannot be said that there was any delay in lodging the report."

HIGH COURT OF RAJASTHAN · 2020 | SOURCE RJHC010024692020

13 Tata AIG General Insurance Company Limited v. Hansraj Saini

HIGH COURT OF RAJASTHAN · 2020-03-03 · CW/2237/2020

The petitioner challenged an award by the Permanent Lok Adalat which ordered them to pay an insurance claim for a stolen vehicle. The petitioner had repudiated the claim citing a seven-day delay in filing the FIR and alleged negligence in securing the vehicle. The High Court observed that the insurance company was notified of the theft the day after it occurred, rendering the delay in FIR filing immaterial, especially as the delay was attributable to the police. Furthermore, the court found no evidence that the vehicle was left unlocked or insecure. Concluding that there was no perversity in the Lok Adalat's findings, the High Court dismissed the writ petition.

HELD The High Court held that a 7-day delay in lodging the FIR was immaterial because the owner had immediately notified the insurance company of the theft on the very next day. Any delay in the physical registration of the FIR by the police agency cannot be attributed as a fault of the insured.

> “Even otherwise also, the learned Permanent Lok Adalat has recorded a categorical finding on the basis of record that the complainant has immediately informed the police authorities about theft of the insured vehicle and the delay in lodging the FIR could not be attributed to him.”

HIGH COURT OF RAJASTHAN · 2020 | SOURCE RJHC020069582020

14 Ranjan Kumar Jena v. General Insurance Company Ltd.

ORISSA HIGH COURT · 2022-05-16 · WP(C)/15282/2013

The petitioner challenged the Insurance Ombudsman's decision to reject his vehicle theft claim due to a delay in reporting the incident. The insurance company had repudiated the claim, citing the policy's requirement for immediate notice. The court held that a delay of six days in informing the insurer does not automatically invalidate a claim, provided the claim is genuine. Observing that police investigations had confirmed the incident as a legitimate theft and noting the absence of evidence suggesting collusion or fraud, the court set aside the Ombudsman's order and directed the insurance company to process and settle the petitioner's claim within six weeks.

HELD The High Court ruled that a six-day delay in notifying the insurer did not justify claim repudiation. The court emphasized that the submission of a final report by the police under Section 173 CrPC, stating that they "could not find any clue regarding the culprits as well as stolen vehicle" and its acceptance by the SDJM, verified the absolute genuineness of the theft complaint.

> “The conclusion in the said report of the Police is that the Investigating Officer “could not find any clue regarding the culprits as well as stolen vehicle”. In other words, the report of the Police is not that the FIR itself is not a genuine one or that the complaint was false.”

ORISSA HIGH COURT · 2022 | SOURCE ODHC010011382013

15 National Insurance Co. Ltd. v. Vinod Kumar

HIGH COURT OF PUNJAB AND HARYANA · 2016-04-29 · CWP/7520/2016

The petitioner insurance company challenged an order by the Permanent Lok Adalat which had directed them to settle a theft claim for a vehicle. The insurer had repudiated the claim due to a delay in filing the FIR and notifying the company. The High Court upheld the Lok Adalat's decision, noting that the delay was not inordinate in this case. Unlike precedents involving months of delay, the insured here provided valid reasons for the police delay and notified the insurer immediately after the FIR was registered. The Court found no merit in the petition and dismissed it.

HELD The High Court held that an 8-day delay in registering the FIR was fully excused because it was caused by the indifferent attitude of the police, to whom the owner had promptly made a call at No. 100 and submitted a physical application. Notifying the insurer immediately after FIR registration was held to be valid.

> "...the reasons have been given by respondent No.1 for non-registration of the FIR because of indifferent attitude of the police officials to whom he had made a call at No.100 and also gave an application mark `X' to the SHO... but the FIR was registered by the police only after 8 days..."

HIGH COURT OF PUNJAB AND HARYANA · 2016 | SOURCE PHHC010986772016

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16 Not Provided v. Not Provided

HIGH COURT FOR STATE OF TELANGANA · 2015-11-25 · WP/38264/2015

The petitioner sought a court direction to compel police to register a complaint regarding a stolen vehicle and to subsequently recover the property. The court observed that the request to recover the vehicle was premature as no formal complaint had been registered. Relying on the Supreme Court ruling in Lalita Kumari v. Government of Uttar Pradesh, the court reiterated that police are mandatorily required to register an FIR if a complaint discloses a cognizable offence. The court directed the police authorities to act in accordance with established legal procedures and mandated the Directors General of Police of Andhra Pradesh and Telangana to ensure these guidelines are strictly followed by all police officials.

HELD The High Court reiterated that the police are mandatorily required under Section 154 CrPC to register an FIR if the information discloses a cognizable offense such as vehicle theft. No preliminary inquiry is permissible in such circumstances to verify the truthfulness of the report prior to registration.

> "The registration of a FIR is mandatory under Section 154 Cr.P.C., if the information discloses commission of a cognizable offence and no preliminary inquiry is permissible in such a situation."

HIGH COURT FOR STATE OF TELANGANA · 2015 | SOURCE HBHC010341972015

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17 Rajnish Kumar v. Insurance Ombudsman

HIGH COURT OF PUNJAB AND HARYANA · 2024-09-10 · CWP/11807/2021

The petitioner challenged an order by the Insurance Ombudsman that upheld an insurance company's decision to repudiate a theft claim for a used car. The company argued that the petitioner failed to provide essential documentation, such as proof of purchase, and suppressed material facts regarding the vehicle's history, including a prior total-loss accident and its subsequent sale as a salvage vehicle. The Ombudsman found that the petitioner had misrepresented facts and failed to substantiate his claim with proper documentation, thus violating the principle of indemnity. The High Court reviewed the matter and found no grounds to interfere with the Ombudsman's decision to dismiss the complaint.

HELD The High Court upheld the claim repudiation, ruling that the owner's failure to submit critical purchase documents and a duplicate key, coupled with the probability that a key had been left in the dashboard of the car at the time of the incident, violated basic policy terms and the principle of indemnity.

> “Ombudsman has drawn the probability… been left in the dashboard of the car… Thus, there is no error… in the order passed by the Insurance Ombudsman.”

HIGH COURT OF PUNJAB AND HARYANA · 2024 | SOURCE PHHC010558792021

18 Gurshinder Singh v. Shriram General Insurance Co. Ltd. & Anr.

SUPREME COURT OF INDIA · 2020-01-24 · 2020 INSC 84

This case addressed a conflict regarding whether a delay in informing an insurance company about vehicle theft justifies the rejection of a claim when the FIR was lodged promptly. The Supreme Court held that insurance contracts, particularly under the Consumer Protection Act, must be construed pragmatically. Mere delay in intimation does not constitute a breach of the 'duty to co-operate' if the claim is otherwise genuine and has been verified by investigators. The court affirmed that repudiating a claim solely on hyper-technical grounds of delayed notice, where the police and insurers were already informed, is unfair. The Court set aside the National Commission’s order and upheld the District Forum's decision to grant the claim.

HELD The Supreme Court established that when an FIR is lodged immediately after a theft and the police submit a final untraced report, a minor delay in notifying the insurance company is not a valid ground for claim rejection. Rejection of genuine claims on hyper-technical grounds of delayed notice defeats the beneficial purpose of the law.

> “the word “immediately”’ cannot be construed narrowly so as to deprive claimant the benefit of the settlement of genuine claim, particularly when the delay was explained. It further held, that rejection of the claim on purely technical grounds and in a mechanical manner will result in loss of confidence of policy holders in the insurance industry.”

SUPREME COURT OF INDIA · 2020 | SOURCE ESCR010001702020

19 Smt. Shanti v. National Insurance Co. Ltd.

HIGH COURT OF JHARKHAND · 2022-07-13 · WPC/816/2010

The petitioner challenged an order by the Permanent Lok Adalat which dismissed her insurance claim solely due to a three-month delay in filing beyond the statutory 90-day period. Relying on Supreme Court precedents, the

High Court held that hyper-technical grounds, such as minor delays in intimation, should not be used to repudiate genuine claims that are otherwise verified. Emphasizing that insurance laws are beneficial legislation, the Court set aside the Lok Adalat's order.

HELD The High Court held that denying an insurance claim solely because of a delay in intimating the insurer about a genuine theft is a hyper-technical view. Since insurance laws are beneficial legislations, they must be construed pragmatically to protect the interests of consumers where the claim is otherwise verified as genuine.

> “We concur with the view taken in the case of Om Prakash (supra), that in such a situation if the claimant is denied the claim merely on the ground that there is some delay in intimating the insurance company about the occurrence of the theft, it would be taking a hyper technical view.”

HIGH COURT OF JHARKHAND · 2022 | SOURCE JHHC010104572010

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