

IN THE SUPREME COURT OF INDIA  
CIVIL APPELLATE JURISDICTION

CIVIL APPEAL NO. 5727 OF 2021  
(Arising out of SLP (C) No. 26931/2017)

ICICI LOMBARD GENERAL INSURANCE CO. LTD. Appellant(s)

VERSUS

SEEMA DEVI & ORS. Respondent(s)

O R D E R

Leave granted.

The present Appeal, arising out of Special Leave Petition, is directed against the impugned interim order dated 01.12.2016 passed by the High Court of Judicature at Allahabad in FAF0 No.3325 of 2016 by which in the interim application submitted by the appellant-Insurance Company, the High Court has directed the appellant-Insurance Company to deposit the entire amount to Court below and in terms of the Award. The High Court has also observed that the amount, so deposited, may be released to the Claimants-respondents, which shall be subject to the result of the said Appeal.

By order dated 04.10.2017, while issuing notice in the present proceedings, this Court has stayed the operation of the impugned order passed by the High Court which has been continued till date.

Having heard learned counsel for the respective parties and considering the fact that the main Appeal is pending before the High Court and the present Appeal arises out of the interim order passed by the High Court, no fruitful purpose will be served in

keeping this Appeal pending.

In that view of the matter, we dispose of the present Appeal by continuing the interim order passed by this Court, vide order dated 04.10.2017, till the final disposal of the main first Appeal by the High Court.

We request the High Court to finally decide and dispose of the Appeal being FAF0 No. 3325 of 2016 at the earliest and preferably, within a period of 9 months from today.

Accordingly, the appeal is disposed of.

Pending applications, if any, also stand disposed of.

..... J.  
(M.R. SHAH )

..... J.  
(A.S. BOPANNA)

New Delhi;  
September 16, 2021.

ITEM NO.3 Court 13 (Video Conferencing)

SECTION XI

S U P R E M E C O U R T O F I N D I A  
R E C O R D O F P R O C E E D I N G S

Petition(s) for Special Leave to Appeal (C) No(s). 1110/2017

(Arising out of impugned final judgment and order dated 07-10-2015 in CR No. 49/2015 passed by the High Court Of Judicature At Allahabad, Lucknow Bench)

SAFIQ AHMAD

Petitioner(s)

VERSUS

ICICI LOMBARD GENERAL INSURANCE CO. LTD. &amp; ORS.

Respondent(s)

IA No. 141759/2018 - CLARIFICATION/DIRECTION  
IA No. 77754/2018 - CLARIFICATION/DIRECTION  
IA No. 67360/2018 - EXEMPTION FROM FILING O.T.  
IA No. 24664/2020 - INTERVENTION APPLICATION  
IA No. 3912/2020 - INTERVENTION/IMPLEADMENT

WITH

SLP(C) No. 26931/2017 (XI)

IA No. 86004/2017 - EXEMPTION FROM FILING O.T.

SLP(C) No. 6443/2019 (IV-B)

Date : 16-09-2021 These matters were called on for hearing today.

CORAM : HON'BLE MR. JUSTICE M.R. SHAH  
HON'BLE MR. JUSTICE A.S. BOPANNA

For Petitioner(s) Mr. Anjani Kumar Mishra, AOR  
Ms. Hardeep Kaur Mishra  
Mr. Praveen Mishra, Adv.  
Ms. Sandhya Pandey, Adv

Mr. Siddharth, AOR  
Mr. Amit Kumar Agrawal, Adv.

Mr. Navneet Kumar, Adv.  
Mr. Vikas Bhadana, Adv.  
Mr. Mohit Singh, Adv.  
Mr. Parijat Kishore, AOR

For Respondent(s) Mr. V. N. Raghupathy, AOR  
Md. Apzal Ansari, Adv.

Mr. T. R. B. Sivakumar, AOR

Mr. T. G. Narayanan Nair, AOR

Mr. Suwendu Suvasis Dash, AOR

Mr. Abhishek K. Gola, Adv.  
Mr. Anshul Mehral, Adv.  
Mr. Sudhir Naagar, AOR

Mr. Sibho Sankar Mishra, AOR

Mr. Shreekant N. Terdal, AOR

Mr. Sanjai Kumar Pathak, AOR  
Ms. Shashi Pathak, Adv.

Ms. Ruchi Kohli, AOR

Mr. K.S. Mahadevan, Adv.  
Ms. Swati Bansal, Adv.  
Mr. Rajesh Kumar, AOR

Ms. Radhika Gautam, AOR

Mr. Praveen Agrawal, AOR

Mr. Parijat Kishore, AOR

Mr. Nikhil Goel, AOR  
Ms. Naveen Goel, Adv.  
Mr. Vinay Mathew, Adv.

Mr. Naresh K. Sharma, AOR

Mr. Devendra Singh, AOR

Mr. Chanchal Kumar Ganguli, AOR

Mr. B. Krishna Prasad, AOR

Mr. Arjun Garg, AOR

Mr. Ardhendumauli Kumar Prasad, AOR

Mr. Annam D. N. Rao, AOR  
Mr. A. Venkatesh, Adv.  
Mr. Rahul Mishra, Adv.  
Ms. Ananya Khandelwal, Adv.  
Ms. Sangeetha MR., Adv.

Mr. Anil K. Jha, AOR

Mr. Ambhoj Kumar Sinha, AOR

Mr. Abhinav Mukerji, AOR  
Ms. Pratishtha Vij, Adv.  
Mrs. Bihu Sharma, Adv.  
Mr. Akshay C. Shrivastava, Adv.

Mr. Vishnu Mehra, Adv.  
Ms. Manjeet Chawla, AOR  
Mr. Anant Mehrotra, Adv.

Mr. Siddharth, AOR  
Mr. Amit Kumar Agrawal, Adv.

Mr. Sunny Choudhary, AOR

Ms. Uttara Babbar, AOR  
Mr. Manan Bansal, Adv.

Mrs. Swarupama Chaturvedi, AOR

Mr. Samar Vijay Singh, AOR

Ms. Rachana Srivastava, AOR

Mr. Pradeep Misra, AOR

Mr. Suhaan Mukerji, Adv.  
Mr. Vishal Prasad, Adv.  
Ms. Nikhil Parikshith, Adv.  
Mr. Abhishek Manchanda, Adv.  
For M/s. PLR Chambers And Co., AOR

Mr. Deepak Thukral, Dy. AG  
Dr. Monika Gusain, AOR

Mr. Kunal Chatterji, AOR  
Ms. Maitrayee Banerji, Adv.

Mr. Anant Vijay Palli, Adv.  
Mr. Nikhil Palli, Adv.  
Mr. Deepak Goel, AOR  
Ms. Urvashi Sharma, Adv.

Mr. C. K. Sasi, AOR  
Mr. Abdullah Naseeh, Adv.  
Ms. Meena K.P., Adv.

Ms. Astha Sharma, AOR

Mr. Aveneesh Arputham, Adv.  
M/s. Arputham Aruna And Co, AOR  
Mr. Aravindh S., AOR

Mr. Aniruddha P. Mayee, AOR

Mr. P. H. Parekh, Sr. Adv.  
 Mr. Sameer Parekh, Adv.  
 Mr. Kshatrashal Raj, Adv.  
 Ms. Tanya Chaudhry, Adv.  
 Ms. Pratyusha Priyadarshini, Adv.  
 Ms. Nitika Pandey, Adv.  
 For M/s. Parekh & Co., AOR

Mr. Sanjeev Bhatnagar, Adv.  
 Mr. Sounak S. Das, Adv.  
 Ms. Manju Jetley, AOR

Mr. Pashupati Nath Razdan, AOR  
 Mirza Kayesh Begg, Adv.  
 Mr. Rohit K Singh, Adv.  
 Ms. Maitreyee Jagat Joshi, Adv.

Mr. Jayant K. Sud, ASG  
 Mr. Aman Sinha, Sr. Adv.  
 Mr. K L Janjani, Adv.  
 Mr. Rajesh Singh Chouhan, Adv.  
 Mr. Anmol Chandan, Adv.  
 Mr. B.V. Balram Das, AOR.

Ms. Deep Shikha Bharati, Adv.  
 Mr. Amrish Kumar, AOR

Mr. Siddhesh Kotwal, Adv.  
 Ms. Ana Upadhyay, Adv.  
 Ms. Manya Hasija, Adv.  
 Ms. Pragya Barsaiyan, Adv.  
 Mr. Nirnimesh Dube, AOR

UPON hearing the counsel the Court made the following  
 O R D E R

SLP (C) No. 1110/2017:

Considering the seriousness of the matter with respect to filing of the fake claim petitions for claiming the compensation under the Motor Vehicles Act as well as the Workmen Compensation Act and even under the Employees' Compensation Act, this Court passed the following order on 05.01.2017 which reads as under:-

"Permission to file the special leave petition is granted.

Delay condoned.

Having heard learned counsel for the petitioner and having perused the record of the case, we find no merit in the claim raised by the petitioner. No case is made out to interfere in the order.

However, having taken note of the facts which have been projected in the impugned order, the situation is very alarming, and therefore, it is imperative for us to find out whether the same scenario is prevailing in other Districts and other States also. Hence, we propose to take up the matter for the aforesaid purpose, so as to see what guidelines can be issued in regard to prevent filing of such false and fabricated cases.

The facts, which are projected in the impugned order, indicates that 64 fake claim cases were pending in Districts Meerut, Ghaziabad, Lucknow, Muzaffar Nagar, Gorakhpur, Moradabad, Etawah, Allahabad, Raibareli, Sonbhadra, Mirzapur, Kanpur, Mainpuri, Farukkhabad, Aligarh, Firozabad and Etah. The chart which was placed before the High Court shows that 29 fake claim cases have been decided in which compensation of Rs.1,23,77,540/- has been paid and claims for over rupees Six crores amount are still pending. It is further mentioned in the impugned order that 30 fraudulent claims were filed under Workmen Compensation Act in District Saharanpur but when Deputy Labour Commissioner who was posted in Saharanpur was transferred to District Moradabad, all those cases were got dismissed and re-instituted at Moradabad where the same Deputy Labour Commissioner has been transferred.

Workmen Compensation Commissioner made a complaint to Bar Council of Uttar Pradesh, and an application has also been moved by the Insurance Company for taking action against advocates. Several other instances have been mentioned in the impugned order. Keeping in view the seriousness of the kind of fraud, the High Court has rightly constituted a Special Investigation Team headed by A.D.G. (Special Enquiries).

The situation is really alarming. Similar scenario cannot be ruled out elsewhere in other States/Union Territories also, which is required to be looked out.

Thus we propose to issue notice to all the States/Union Territories and insurance companies as to what steps can be taken to rule out the filing

of fake cases and what remedial measures can be taken. The notice be also issued to the High Courts through Registrars so as to ascertain from MACTs such doubtful cases which prima facie may require investigation and to prevent filing of such fabricated cases.

It is also considered necessary to issue notice to the Bar Council of Uttar Pradesh and to the Bar Council of India, through their Secretaries to find out what action has been taken or proposed against the named advocates, who have indulged in such unethical practice.

Let notice issue to all the States/Union Territories, Registrar General of High Court including Bar Council of India and Bar Council of Uttar Pradesh within a period of 15 days, returnable in six weeks. Let the responses be filed within a period of six weeks. Notice also be issued to the Union of India through the Central Law Agency so as to enable the Union of India to assist the Court in the matter. Let notice be issued by Registry.

List after six weeks."

From the order passed by the High Court of Judicature at Allahabad, it was noticed that 64 fake claim cases were pending in various Districts in the State of U.P. It was also found and noticed that 29 fake claim cases were decided in which compensation of Rs. 1.23 Crores has been paid and claims for over Rs. 6 Crores are still pending. This Court noted that the situation is really alarming and similar scenario cannot be ruled out elsewhere in other States/Union Territories also. Therefore, this Court directed to issue notice to all the States/Union Territories and Insurance Companies as to what steps can be taken to rule out the filing of the fake cases and what remedial measures can be taken.

This Court also directed to issue notice to all the High Courts through Registrars to ascertain from MACTs such doubtful

cases which *prima facie* may require investigation and to prevent filing of such fabricated cases.

This Court also directed to issue notice to the Bar Council of Uttar Pradesh and to the Bar Council of India, through their Secretaries to find out what action has been taken or proposed against the named advocates, who have indulged in such unethical practice. This Court also noted the constitution of the Special Investigation Team (SIT), pursuant pursuant to the order passed by the High Court dated 07.10.2015.

Today, when the present proceedings are taken up for further hearing and when we called upon the learned counsel appearing on behalf of the Bar Council of Uttar Pradesh to apprise the Court what actions have been taken against the named advocates, who were found to be indulged in such unethical practice by filing fake claim petitions, Ms. Rachna Srivastava, learned counsel appearing on behalf of the Bar Council of Uttar Pradesh has requested for some time by submitting that, as per her telephonic instruction, the steps shall be taken against such named advocates, who were found to be indulged in such unethical practice of filing such fake cases. Meaning thereby, despite more than 3 years have passed, no action has been taken by the Bar Council of Uttar Pradesh against the named advocates, who were found indulged in such unethical practice, though a specific order was passed by this Court, as far as back on 05.01.2017.

Similarly, no further report has been filed by the SIT, appointed pursuant to the impugned order passed by the High Court. Mr. Samar Vijay Singh, learned counsel appearing for the State of

Uttar Pradesh has requested to grant sometime to place on record the report of the SIT, specially appointed for such illegalities.

Mr. Ardhendumauli Kumar Prasad, learned counsel appearing on behalf of the Bar Council of India has submitted that there are provisions under the Advocates Act itself to take action first by the Bar Council of the State and thereafter, if no steps are taken by the Bar Council of the concerned State, then by the Bar Council of India. It has been noticed that in many of the cases where the complaints are filed before the Bar Council of the State, for whatever reason, the Disciplinary Committee of the Bar Council of the State or the Bar Council of the State do not take any decision and keep the complaints pending so that after a period of one year or so as provided under the Advocates Act, the complaint automatically is transferred to the Bar Council of India. In such a situation, what further steps can be taken by the Bar Council of India is to be considered, more particularly, whether any explanation is called from the Disciplinary Committee of the Bar Council of the State or from the concerned Bar Council of the State why the complaint was kept pending for more than one year and no decision was taken. If somebody is held to be accountable then and then only the discipline will come so far as the Advocates are concerned, more particularly, considering the fact that legal profession is a pious profession and purity of the legal profession is to be maintained.

Mr. Ardhendumauli Kumar Prasad, learned counsel appearing on behalf of the Bar Council of India to make suggestions and come with some concrete steps taken and/or to be taken on the aforesaid

aspect. On other aspects, some States/High Courts have submitted the counter affidavits which shall be considered and dealt with on the next date of hearing.

Put up on 05.10.2021 so as to enable the learned counsel appearing on behalf of the Bar Council of Uttar Pradesh, learned counsel appearing on behalf of the State of Uttar Pradesh and the learned counsel appearing on behalf of the Bar Council of India to file a detailed report on what is stated herein above and the steps taken pursuant to the earlier order passed by this Court dated 05.01.2017 and the subsequent orders, and, on the aspects stated herein above. All concerned Bar Councils of the States to bear in mind the credibility of the institution as a whole and filing of such false cases are very serious and it ultimately affects the credibility of the institution as a whole including the legal profession.

List on 05.10.2021.

SLP(C) No. 26931/2017:

Leave granted.

The Appeal is disposed of in terms of the signed order.

SLP(C) No. 6443/2019:

Put up on 05.10.2021.

(R. NATARAJAN)  
ASTT. REGISTRAR-cum-PS

(Signed order is placed on the file)

(NISHA TRIPATHI)  
BRANCH OFFICER