

The New India Assurance Co. Ltd. Vs Mohinderjit Singh and Others

Court: High Court Of Punjab And Haryana At Chandigarh

Date of Decision: Oct. 30, 2008

Acts Referred: Motor Vehicles Act, 1939 " Section 94, 95

Citation: (2009) ACJ 1431 : (2008) 152 PLR 691 : (2009) 1 RCR(Civil) 673

Hon'ble Judges: Mahesh Grover, J

Bench: Single Bench

Judgement

Mahesh Grover, J.

This judgment will dispose of the above appeal and the cross objections which have been preferred against

award/judgment dated 18.5.1983 passed by the Motor Accident Claims Tribunal, Rupnagar (for short, "the Tribunal") in M.A. Case No. 37 of

11.9.1981. The appellant-Insurance Company with which the offending vehicle was insured and owned by one Gundu Ram, has challenged its

liability to satisfy the impugned award, whereas the claimants have filed the cross objections for enhancement of the compensation awarded by the

Tribunal.

2. On 26.3.1981, Mohinderjit Singh, the minor son of Tarlochan Singh sustained injuries when he was knocked down by truck No. PUV5281

being driven by Kacharan Singh, its driver, rashly and negligently. His left leg had to be amputated on that account as the same was crushed in the

accident.

On the claim petition being filed through his father, the injured claimant was awarded a sum of Rs. 50,000/- as compensation along with interest at

the rate of 10% per annum from the date of the award till the date of realisation. The appellant was directed to satisfy the award. A perusal of the

record reveals that the factum of accident had not been disputed by the driver or the offending vehicle.

3. The Insurance Company has questioned its liability on the ground that the offending vehicle was owned by Gundu Ram, at the time of issuance

of insurance policy, but he had subsequently sold the same to Ram Singh. However, the registration of the offending vehicle continued in the name

of Gundu Ram. It was pleaded that said Gundu Ram was never impleaded as party in the claim petition and only Ram Singh, the subsequent

purchaser of the offending vehicle was made a respondent. It was further pleaded that since Gundu Ram, the owner of the offending vehicle, who

had got insured the same in the first instance, was never a party to the proceedings and the award not having been passed against the insured

person, the appellant was not bound to pay the compensation to the injured person.

I have heard the learned Counsel for the appellant and have examined the record carefully. The controversy, as raised in the appeal, has since been

settled by the Apex Court in G. Govindan Vs. New India Assurance Co. Ltd. and Others, , wherein it was observed as under:

In our opinion, both under the old Act and under the new Act the legislature was anxious to protect the third party (victim) interest. It appears that

what was implicit in the provisions of the old Act is now made explicit, presumably in view of the conflicting decisions on this aspect among the

various High Courts.

4. As noticed above, the accident in the instant case occurred on 26.3.1981 when Motor Vehicles Act, 1939, i.e., the old Act, was holding the

field. The provisions of Sections 94 and 95 of the old Act which required compulsory insurance of a vehicle, were, thus, interpreted to mean that

the third party's interest would be protected. In this view of the matter, there is no merit in the appeal. In so far as the cross objections are

concerned, the injured was seven years old child, whose left leg had to be amputated.

After considering the matter in its entirety, I am of the considered opinion that the compensation awarded by the Tribunal is grossly inadequate.

5. The injured, who was a young boy, had lost his left leg, as a result of which he would have been deprived of leading a normal life and he has

also been prevented from enjoyment of precious youthful moments in the formative years. In my considered view, the ends of justice would be

squarely met if the injured-claimant is allowed a total compensation of Rs. 1,50,000/-. Ordered accordingly.

6. The enhanced compensation shall be paid to the injured claimant along with interest at the rate of 9% per annum from the date of filing of the

claim petition till the date of realisation. The liability to pay the enhanced compensation and interest shall be the same as has been fixed by the

Tribunal. The impugned award is modified to the above extent.

7. In the result, the appeal is dismissed and the cross objections are allowed in the aforementioned terms.