
(1986) 04 P&H CK 0073

In the Punjab And Haryana At Chandigarh

Case No : Letters Patent Appeal No. 294 of 1984

National Insurance Co. Ltd.

APPELLANT

Vs

Smt. Maya Devi and Others

RESPONDENT

Date of Decision : 15-04-1986

Acts Referred:

Motor Vehicles Act, 1939 — Section 95

Citation : (1987) 62 CompCas 120

Hon'ble Judges : Prem Chand Jain, C.J.; Sukhdev Singh Kang, J

Bench : Division Bench

Advocate : Bhagirath Dass and M.B. Singh, for the Appellant; L.M. Suri and Ravindra Arora, for the Respondent

Final Decision : Dismissed

Judgement

Prem Chand Jain, C.J.—This order of ours will dispose of LPA Nos. 294 and 295 of 1984, as a common question of law is involved in both the appeals.

2. It is not necessary to state the facts, as there can be no gainsaying that the appeal is covered by a Division Bench judgment of this court in Shri Ajit Singh v. Sham Lal [1984] PLR 314 ; [1986] 59 Comp Cas 946. However, the said judgment is being distinguished by Mr. Bhagirath Dass Seth, learned senior counsel, by contending that a specific plea had been raised that the liability of the insurance company did not extend to the entire amount awarded, but was limited to Rs. 50,000. We are afraid, we are unable to agree with this submission of the learned counsel. A similar contention was raised before the learned single judge (National Insurance Co. Ltd. v. Maya Devi [1985] 58 Comp Cas 241), which was repelled thus (at page 242):

"The amount claimed as compensation in this case was Rs. 1 lakh which was ultimately the amount awarded to the claimants. In the return filed by it, the insurance company had indeed raised the plea that its maximum liability was Rs. 50,000, if at all it was held liable. The most important evidence on this issue was

undoubtedly the insurance policy itself. What is on record, however, is only exhibit R-1 which appears to be a carbon copy of the policy of insurance and that too of only a part thereof. In the column, limits of liability, the figure, Rs. 50,000, is mentioned, but it is against the column "limit of the amount of the company's liability u/s 11(1)(ii) in respect of any one claim or series of claims arising out of one event". There is no evidence on record to explain what this clause means. At the time of hearing, counsel for the owner produced the original policy of insurance, now marked as exhibit X, and a reference thereto showed that this clause was with regard to the damage to property caused by the use of the motor vehicle. There is another separate clause contained in exhibit R-1 which related to compensation payable in respect of death of, or bodily injury to, any person caused by the use of a motor vehicle. This column was left blank. In these circumstances, there is clearly no warrant to hold that the liability of the insurance company was limited to only Rs. 50,000 in this case. The provisions of Section 95 of the Motor Vehicles Act, 1939, were next sought to be pressed in aid by the counsel for the insurance company, but these are clearly of no avail. There is no bar in Section 95 to the policy of insurance covering a liability in excess of the amounts specified therein."

3. Mr. Bhagirath Dass Seth has not been able to persuade us to take a contrary view other than the one arrived at by the learned single judge.

4. Before parting with the order, it may be pertinent to observe that the statute does not put any restriction on the liability of the insurance company with regard to a tractor.

5. No other point arises for consideration.

6. For the reasons recorded above, these appeals fail and are dismissed, but with no order as to costs.