
(1965) 05 P&H CK 0029
In the Punjab And Haryana At Chandigarh
Case No : F.A.O. No. 86-D of 1964

New Asiatic Transport Co. (P.) Ltd.	Vs	APPELLANT
Manohar Lal and Others		RESPONDENT

Date of Decision : 04-05-1965

Acts Referred:

Motor Vehicles Act, 1939 — Section 110

Citation : (1966) 36 CompCas 137

Hon'ble Judges : H.R. Khanna, J

Bench : Single Bench

Advocate : Nitya Nand Dhawan, for the Appellant; R.L. Aggarwal, for the Respondent

Final Decision : Dismissed

Judgement

1. This appeal filed by New Asiatic Transport Company (Private) Limited is directed against the order of the Motor Accidents Claims Tribunal, Delhi, whereby the appellant-company and respondents Nos. 2 and 3 were ordered to pay an amount of Rs. 13,000 with costs to Manohar Lal, respondent No. 1, and raises interesting questions under the Motor Vehicles Act, 1939 (No. IV of 1939), hereinafter referred to as the Act. One of the questions, which needs determination, is whether the Claims Tribunal in question was validly constituted u/s 110 of the Act, and the other question is about the scope of Section 110A of the Act. The questions arise in the following circumstances :

2. The brief facts of the case are that on 14th March, 1961, Manohar Lal, respondent, was going while sitting on the back seat of scooter No. D.L.M. 7020 from Arya Samaj Road bus stand to Karol Bagh, Delhi. The scooter was at that time being driven by Kulwant Singh, a friend of Manohar Lal. Sohan Lal, respondent No, 2, who is in the service of the appellant-company, then came driving truck No. D.L.G. 819 in the course of employment and on the crossing of Gurdwara Road and Hardian Singh Road the truck struck against the scooter. Manohar Lal received various injuries as a result of the impact, which was due to

the rash and negligent driving of the truck and became unconscious. Manohar Lal was got admitted the same day in Sir Ganga Ram Hospital and was examined by Dr. R. N. Kataria, F. R. C. S. Manohar Lal was found to have multiple bruises on the right leg, lacerated wound on the left joint, eyebrow and compound and comminuted fracture of the tibia and fibula. He was put under plaster and it took about a year to remove the plaster finally. Despite treatment, the right lower leg of Manohar Lal was shortened by an inch and a half, and there was slight stiffness of the ankle. Manohar Lal also has started limping. Report about the occurrence was lodged by Kulwant Singh and Sohan Lal was tried in a case under sections 337 and 338, Indian Penal Code. He pleaded guilty and was, accordingly, convicted and sentenced to pay a fine by Magistrate I Class, Delhi, as per judgment dated 28th January, 1962, copy of which is exhibit A-1. Manohar Lal filed the present petition u/s 110A of the Act on 10th October, 1961, for recovery of Rs. 58,500 as compensation from Sohan Lal and the appellant-company as also from Motor and General Insurance Company Limited, respondent No. 3, with which company the truck had been insured.

3. The petition was resisted by the appellant and respondent No. 3 while the case proceeded ex-parte against Sohan Lal. The appellant raised a preliminary objection that the Tribunal had not been constituted in accordance with Section 110 of the Act. It was admitted that the truck belonged to the appellant-company and had been insured with respondent No. 3. Some other allegations were also made, but we are not concerned with them, and the following issues were framed by the Tribunal:

- (1) Whether this Tribunal has not been properly constituted? If so, what is its effect ?
- (2) Whether this application is barred by limitation ?
- (3) Whether the petitioner received injuries on 14th August, 1961, at about 9 a.m. on the crossing of Gurdwara Road and Hardian Singh Road due to the rash and negligent driving of truck No. D.L.G. 819 ?
- (4) To what amount of compensation the petitioner is entitled to and from whom ?
- (5) Whether the driver of truck No. D.L.G. 819 was not driving the truck under a valid licence, and during the course of his employment?

4. Issues Nos. 1, 2, 3 and 5 were decided in favour of Manohar Lal, respondent, and against the appellant and the insurance company. On issue No. 4 the finding was that Manohar Lal was entitled to Rs. 200 on account of medical treatment, nursing and special diet, Rs. 3,000 on account of loss of income during the period of confinement in bed, another Rs. 5,000 on account of loss of prospective income and Rs. 5,000 on account of the suffering undergone by him as well as the permanent disability, discomfort and loss of enjoyment of life. The appellant and respondents Nos. 2 and 3 were, accordingly, ordered to pay Rs. 13,000 to

Manohar Lal with costs.

5. In appeal the first contention, which has been raised by Mr. Dhawan on behalf of the appellant-company, is that though there was a validly constituted Motor Accidents Claims Tribunal from 28th August, 1962, onwards, before that date the Tribunal had not been properly appointed and as such the proceedings taken in the petition u/s 110A of the Act filed by Manohar Lal, respondent, before 28th August, 1962, were null and void. To appreciate this contention, it would be necessary to refer to the relevant provisions of law and the notifications on the subject. Section 110 of the Act deals with the constitution of the Claims Tribunals and reads as under:

"" (1) A State Government may, by notification in the official Gazette, constitute one or more Motor Accidents Claims Tribunals (hereinafter referred to as Claims Tribunals) for such area as may be specified in the notification for the purpose of adjudicating upon claims for compensation in respect of accidents involving the death of, or bodily injury to, persons arising out of the use of motor vehicles.

(2) A Claims Tribunal shall consist of such number of members as the State Government may think fit to appoint and where it consists of two or more members, one of them shall be appointed as the Chairman thereof.

(3) A person shall not be qualified for appointment as a member of a Claims Tribunal unless he--(a) is, or has been, a judge of a High Court, or (b) is or has been, a district judge, or (c) is qualified for appointment as a judge of the High Court.

(4) Where two or more Claims Tribunals are constituted for any area, the State Government may, by general or special order, regulate the distribution of business among them."

6. The following notification dated 25th October, 1957, appointing the Judge, Small Causes Court, Delhi, as Motor Accidents Claims Tribunal for the Union Territory of Delhi was issued and published in the Delhi Gazette dated November 7, 1957 :

"No. F. 12(67)/57 M & PH/Home.--In exercise of the powers conferred on him by Sub-section (1) of Section 110 of the Motor Vehicles Act, 1939, the Chief Commissioner, Delhi, is pleased to appoint the Judge, Small Causes Court, Delhi, as Motor Accidents Claims Tribunal for the Union Territory of Delhi for the purpose of adjudicating upon claims for compensation in respect of accidents involving the death of, or bodily injury to, persons arising out of the use of motor vehicles.

By order,

Sd/--

Hans Raj.

Secretary (Law & Judicial) Delhi Administration, Delhi."

7. The Judge, Small Causes Court, Delhi, continued to work as Tribunal till 28th August, 1962, when Shri Tilak Raj Handa, Subordinate, Judge I Class, Delhi, was appointed the Tribunal for the Union Territory of Delhi as per following notification dated 28th August, 1962, published in the Delhi Gazette dated 6th September, 1962 :

" F. 12/197/62PR (T).--In exercise of the powers conferred on him by Sub-section (1) of Section 110 of the Motor Vehicles Act, 1939, and in supersession of his notification No. F. 12(67)/57 M & PH/Home, dated the 25th October, 1957, the Chief Commissioner, Delhi, is pleased to appoint Shri Tilak Raj Handa, Sub-Judge, 1st Class, Delhi, as Motor Accidents Claims Tribunal for the Union Territory of Delhi for the purpose of adjudicating upon claims for compensation in respect of accidents involving the death of or bodily injury to persons arising out of the use of motor vehicles.

By order, Sd/-- K. M. L. Gupta, Under-Secretary (Transport) Delhi Administration, Delhi."

8. It is not disputed that after Shri Tilak Raj Handa, Shri Amar Nath Aggarwal, Subordinate Judge, was appointed the Claims Tribunal for the Union Territory of Delhi on 31st October, 1962, and it was Shri Amar Nath Aggarwal, who, as the Tribunal, decided the petition. The contention of Mr. Dhawan is that as Sub-section (3) of Section 110 contemplates that the person appointed as a member of the Claims Tribunal should hold one of the three qualifications mentioned in Sub-section (3), the appointment of a person as a one-man member of the Tribunal should be by name and not by designation as before 28th August, 1962, the notification was about the Judge of the Small Causes Court as constituting the Tribunal and as no one had been appointed by name, the Tribunal cannot be deemed to have been validly constituted before 28th August, 1962. Reliance in this connection is placed upon the case, Aurangabad Mills Limited v. Industrial Court AIR 1952 AP. 144 wherein a Division Bench of the Hyderabad High Court held that a person by name and not by office should be appointed as the sole member of the Industrial Court under the Hyderabad Trade Disputes Order. It was further held that where the Sessions Judge of a particular place was appointed by office to an Industrial Court and upon his transfer no fresh appointment of the successor Sessions Judge was made to the Industrial Court, the successor Sessions Judge had no jurisdiction to decide the dispute.

9. I have given the matter my consideration and am of the view that there is no force in the contention advanced on behalf of the appellant that there was no valid Motor Accidents Claims Tribunal for Delhi before 28th August, 1962. The Motor Vehicles Act is admittedly a Central Act. Section 15 of the General Clauses Act, 1897 (Act X of 1897), reads as under:

" 15. Power to appoint to include power to appoint ex-officio.--Where, by any Central Act or Regulation, a power to appoint any person to fill any office or

execute any function is conferred, then, unless it is otherwise expressly provided any such appointment, if it is made after the commencement of this Act, may be made either by name or by virtue of office."

10. A bare perusal of the above provision of law goes to show that it is not essential to appoint any person to fill any office or execute any function by name and that the appointment can be made by virtue of office unless there be anything in a Central enactment or regulation expressly to the contrary. There are no words expressly to the contrary in Section 110 of the Act because it is nowhere provided in that section that the person constituting the Claims Tribunal should be appointed by name and not by office. In *Re: Palanisamy Chettiar*, decided by a Division Bench (Somasundaram and Ramaswami Gounder JJ.), question arose about the validity of the appointment of District Magistrates as Assistant Sessions Judges. The appointment of the District Magistrates as Assistant Sessions Judges was being made not by name but by designation. Repelling the contention that the appointment should have been by name and not by designation, it was observed :

" It is true that, by that notification, the District Magistrate is appointed as an Assistant Sessions Judge, not by name, but by his designation. We fail to see why the authority competent to make an appointment should not make it by designation, instead of referring to the officer by name.

That it is permissible is apparent from two decisions which were brought to our notice during the discussion, namely, *Allaga Pillai Vs. Emperor*, and *In Re: Shaik Silar*, . In fact, Section 15 of the General Clauses Act makes it clear that where by any Act or regulation, a power to appoint any person to fill any office or execute any function is conferred, then, any such appointment may be made either by name or by virtue of office. That is exactly what has been done in the present case, namely, to appoint District Magistrates, by virtue of office, as Assistant Sessions Judges."

11. In *Public Prosecutor (Andhra Pradesh) Vs. Narkidimilli Srirambhadrayya and Others*, it was held, after referring to Section 15 of the General Clauses Act, that sanitary inspectors can be appointed by virtue of their office as food inspectors and that it was not necessary that the appointment should be by name. A similar view was taken by a Division Bench of the Mysore High Court in *State of Mysore v. Danjaya* AIR 1963 Mys. 157 .

12. So far as the case of *Aurangabad Mills Limited*³, relied upon by the appellant, is concerned, I find that in that case reliance was placed upon Section 7 of the Industrial Disputes Act, 1947. According to rule 5 of the Industrial Disputes (Central) Rules, 1957, the appointment of a board, court, labour court, tribunal or national tribunal has to be notified in the official Gazette together with the names of the persons constituting the board, court, labour court, tribunal or national tribunal. I thus find that though the law makes it imperative to specify the names of the members constituting the industrial tribunal or court, there is

no such requirement in the case of the Claims Tribunal appointed under the Motor Vehicles Act. In the circumstances, the appellant can derive no assistance from Aurangabad Mills Limited case AIR 1952 AP. 144. It is no doubt true that if a judge of the Small Causes Court be found lacking in qualifications which are mentioned by Sub-section (3) of Section 110 of the Act, his appointment as member of the Tribunal would be illegal and he would not be able to discharge the functions of the Claims Tribunal but such a contingency has not arisen, because it is not the case of the appellant that the successive judges of the Small Causes Court, who also acted as members of the Tribunal, were lacking in the qualifications contemplated by Sub-section (3) of Section 110 of the Act.

13. The second contention advanced on behalf of the appellant relates to the interpretation of Section 110B of the Act which reads as under :

" 110B. Award of the Claims Tribunal.--On receipt of an application for compensation made u/s 110A, the Claims Tribunal shall, after giving the parties an opportunity of being heard, hold an inquiry into the claim and may make an award determining the amount of compensation which appears to it to be just and specifying the person or persons to whom compensation shall be paid ; and in making the award the Claims Tribunal shall specify the amount which shall be paid by the insurer."

14. It is argued by Mr. Dhawan on behalf of the appellant that the concluding words of the section, according to which the Claims Tribunal has to specify the amount to be paid by the insurer, tend to show that the liability in respect of that amount is only of the insurer and that the driver of the motor vehicle or the owner of the vehicle in the course of whose employment the driver caused injuries to the persons making the claim are not liable. This contention too is devoid of force. Sub-section (2) of Section 95 of the Act specifies the limit of the liability of an insurer with respect to compensation payable under the Act. According to it if the vehicle in question is a goods vehicle the limit is Rs. 20,000. The object of inserting the concluding words in Section 110B, in my opinion, was that in case the compensation awarded by the Tribunal exceeded the amount which is payable by an insurer under Sub-section (2) of Section 95 of the Act, in such a case the Claims Tribunal should specify and make clear the extent of the liability of the insurer. For example, where compensation for an amount of Rs. 50,000 is awarded by a Tribunal in respect of injuries caused while driving a goods vehicle, the Claims Tribunal would have to specify the amount payable by the insurer to be Rs. 20,000 only, because that is the maximum amount for which an insurer can be held liable for a goods vehicle. If, however, the compensation awarded is Rs. 20,000 or less than Rs, 20,000 and the order for payment of compensation is as, in the present case, against the driver and owner of the vehicle as also against the insurer, in such an event the omission to specify the extent of the liability of the insurer would not make any material difference, because an indication is already there in the order that, the liability of the insurer is for the full amount of compensation awarded. It is also not possible

to spell out an inference from the concluding words of Section 110B that in case the amount payable by the insurer is specified, the insurer alone is responsible and not the other persons against whom also the order for payment of compensation is made. Had it been the intention of the legislature that the liability for the amount was to be that of the insurer alone, it would not have been difficult to make that intention clear by the use of appropriate language and suitable words to that effect, but in the absence of such language and words it is not permissible to read in the section something which is plainly not there. It may be that in case the amount for which the insurer also is liable is recovered from the driver or the owner of the motor vehicle, they would be entitled to be indemnified and reimbursed for that amount by the insurer, but it cannot be held, as already observed above, that the petitioner in whose favour the order for recovery of compensation is made, can proceed for the amount in question only against the insurer and not against the driver or owner, in the course of whose employment the injuries are caused by the use of the vehicle. I, therefore, have no hesitation in rejecting the contention which has been advanced on behalf of the appellant.

15. Cross-objections have been filed by Manohar Lal, respondent, for enhancement of compensation but they have not been pressed at the hearing. The result is that both the appeal and cross-objections are dismissed. In the circumstances of the case, I leave the parties to bear their own costs of the appeal and cross-objections.