

(1972) 05 DEL CK 0005

In the Delhi High Court

Case No : L.P.A. No. 56 of 1967, against judgment of S.N. Andley, J., reported in 1967 Acc CJ 115

The Oriental Fire and General Insurance Co. Ltd.

APPELLANT

Vs

Vimal Rai and Others

RESPONDENT

Date of Decision : 09-05-1972

Acts Referred:

Citation : (1972) ACJ 314 : (1972) 2 ILR Delhi 949

Hon'ble Judges : S.N. Shankar, J;B.C. Misra, J

Bench : Division Bench

Advocate : S.C. Dhanda and P.P. Malhotra, for the Appellant; M.N. Pombra, C.M. Kohli and G.R. Chopra, for the Respondent

Judgement

B.C. Mishra, J.—This order will dispose of letters Patent Appeals No. 56 of 1967 filed by the Oriental Fire and General Insurance Company and No. 58 of 1967 filed by Gurcharan Singh against the judgment of a learned Single Judge (S.N. Andley, J.) dated 16th march, 1967 by which the learned Judge modified the award of the motor Accidents Claims Tribunal dated 20th July, 1965. Smt. Vimal Rai and two others (respondents before us) are the legal representatives of Balwant Rai deceased who died in the accident. The Oriental Fire and General Insurance Company Limited (appellant in one appeal) is hereinafter referred to as the insurance company. Gucharan Singh appellant in the other appeal) is the erstwhile owner of the motor cycle involved in the accident and is hereinafter, for the sake of convenience, referred to as the seller while M.G. Krishan Roay, respondent No. 6 in the first mentioned appeal, is hereinafter referred to as the purchaser. Gulzari Lal respondent No. 8 proprietor of a motor repairs garage, is referred to as the garage man while Ram lal, who drove the motor cycle in dispute and caused the accident, is referred to as the mechanic.

2. The accident which resulted in the death of Balwant Rai deceased occurred on 16th July, 1963 and it involved motor cycle, Jawa make, 1962 model Dlo 2706. This motor cycle was registered in the name of the seller and he had taken an

insurance policy from the insurance company on or about 16th October 1962 which was valid for a period of one year expiring on 15th October 1963. The policy was comprehensive and covered third party risks. on or shortly before the date of the accident, the motor cycle had been given to the buyer and he found a defect in the kick and gave it to the garage man who carried out the repairs and while it was with him, the said mechanic drove the motor cycle and caused the fatal accident. There is no dispute with regard to the liability of Ram Lal mechanic and the garage man for payment of compensation in respect of the deceased. The question for determination is whether Gurcharan Singh, the seller, or M.G. Krishan Roay purchaser is liable to make compensation to the deceased and if the seller is liable, the insurance company is certainly liable, but if the motor cycle had been sold to the purchaser, the insurance company claims exoneration from liability, as the contract of indemnity contained in the insurance policy had lapsed. It is not denied that the purchaser did not give any information about the purchase of the vehicle to the motor registering authorities or to the insurance company till 24th or 25th July, 1963 and it was on 23rd September 1963 that he obtained an endorsement of the policy in his name.

3. The legal representative of the deceased filed a claim before the Motor Accidents Claims Tribunal which came to the conclusion that Gurcharan Singh seller had sold the vehicle to the purchaser and so was not liable and consequently the insurance company was exonerated from the liability. He, Therefore, dismissed the claim the seller and the purchaser, but awarded a sum of Rs. 31,500/- against the mechanic and the garage man.

4. On appeal the learned Single Judge of this Court arrived at contrary conclusion and held that no sale of the motor cycle had taken place either in fact or in law on the date of the accident and so this seller and as a consequence the insurance company remained liable to pay compensation. His Lordship, Therefore, awarded it against the seller, the insurance company and the mechanic. On the said findings, compensation ought also to have been awarded against the garage man and the counsel appearing before us admitted that this was an obvious error and in any view of the matter, the mechanic and the garage man both are certainly liable to pay compensation to the legal representatives of the deceased.

5. Mr. Dhanda, counsel for the Insurance company, has raised the following contentions: (1) the findings of the learned Single Judge that no sale had taken place in favor of the purchaser since the transfer had not been registered u/s 31 of the Motor Vehicles Act, 1939 was not sustainable in law and that on the facts and circumstances of the case, the sale had conclusively been established; (2) the result of the sale is that the contract of insurance had lapsed and was not available to cover the risk incurred by the purchaser of the vehicle in the accident; (3) the aforesaid plea was available to the insurance company and the observations of the learned Single Judge to the contrary were not correct: (4) on the facts and circumstances of the case, Gurcharan Singh seller was not liable to pay compensation for the accident and as such the company was exonerated

from the liability and (5) what should be the quantum of damages to be awarded.

6. Miss Kohli, counsel for the seller has supported the arguments of insurance company and Mr. Chopra counsel for the purchaser has stressed the point that he was not liable to make compensation and Mr. Pombra, counsel for the legal representative has prayed for enhancement of the damages while supporting the impugned judgment.

7. The judgment of the learned Single Judge has been reported as Vimal Rai and Others Vs. Gurcharan Singh and Others, and the attack of Mr. Dhanda is directed against the application of the definition of sale contained in S. 54 of the Transfer of Property act to the facts of the case and to the following passage which occurs in paragraph 10 of the report:--

"There is another aspect of this matter. To my mind, the sale of a motor vehicle will not be governed by the ordinary law relating to sales of movable property. The Motor Vehicles Act, 1939 makes it compulsory for every owner of a motor vehicle to get the motor vehicle registered with the Registering Authority (vide Section 22). The act prescribes by Section 24 the method of registration of a motor vehicle and by Section 31 of the transfer of ownership of a motor vehicle. A perusal of the various provisions of the Act leads to only one conclusion that ownership of a motor vehicle is to be evidenced by the registration as such with the Motor Registering Authority and the registration book which is supplied is the document of title. I think the Act proceeds on the basis that it is only the ostensible owner who is entered as such in the registration books, who is to be considered to be the owner of the motor vehicle irrespective of the fact that the real ownership may be with somebody else."

8. The authority under appeal before us was considered by the High Court of Madras in V. Muthuswami Gounder Vs. Thulasi Ammal, , and his Lordship, with great respect, found himself unable to agree with the same. Similarly, the High Court of Punjab in Phul Bus Service Vs. Financial Commissioner, Taxation and Others, , also expressed respectful disagreement with the same. On the other hand, a learned Single judge of the High court of Orissa in Orissa Co-operative Ins. Society Ltd. Vs. Bhagaban Sahu and Others , arrived at the conclusion in agreement with the learned Single Judge of this Court without examining any of the authorities for or against the proposition and he held that according to the provisions of Section 22 and 31 of the Motor Vehicles Act, it was only the ostensible owner whose name was entered as such in the registration book who was to be considered as the owner of the motor vehicles irrespective of the fact that the ownership may be with somebody else.

9. The General Clauses Act in Section 3(26) defines the words "immovable property" as inclusive of land and things attached to the land, while clause (36) defines "movable property" as meaning property of every description except immovable property. In the Sale of goods Act 3 of 1930 clause (7) of Section 2 defines goods as meaning every kind of movable property other than actionable

claims and money and including stock and shares, growing crops, grass and things attached to or forming part of the land which are agreed to be severed before sale or under the contract of sale. An inclusive definition of document of title to goods is given in clause (4) of Section 2. The sale is, however, defined by Section 4 to the effect that a contract of sale of goods is a contract whereby the seller transfers or agrees to transfer the property in goods to the buyer for a price and where under a contract of sale the property in the goods is transferred from the seller to the buyer, the contract is called a sale, but where the transfer of the property in the goods is to take place at a future time or subject to some conditions thereafter to be fulfilled, the contract is called an agreement to sell. It is further provided by sub-section (4) that an agreement to sell becomes a sale when the time elapses or the conditions are fulfilled subject to which the property in the goods is to be transferred. Section 5 deals with formalities of the contract and provides that a contract of sale is made by an offer to buy or sell goods for a price and the acceptance of such offer and the contract may provide for the immediate delivery of the goods or immediate payment of the price or both or for the delivery or payment by installments, or that the delivery or payment or both shall be postponed. Sub-section (2) provides that subject to the provisions of any law for the time being in force, a contract of sale may be made in writing or by word of mouth, or partly in writing and partly by word of mouth or may be implied from the conduct of the parties. The learned counsel for the appellant has also relied on Section 9 of the Sale of Goods Act to show that the price may be fixed by a contract or may be left to be fixed in any manner or may be determined by the course of dealing between the parties and in the absence of such agreement, the buyer was bound to pay the seller a reasonable price. He has as well relied on Section 20 of the act to contend that where in an unconditional contract for the sale of specific goods in a deliverable state, the property in the goods passes to the buyer when the contract is made, and it is immaterial whether the time of payment of the price or the time of delivery of the goods, or both is postponed.

10. Mr. Dhanda contended with force that it is the provisions of the Sale of Goods Act which determine the legal requirements for transfer of a motor vehicle and that Section 54 of the Transfer of Property Act does not have any application to the facts of the case. Section 54 occurs in Chapter III of the Transfer of Property Act which exclusively deals with sales of immovable properties and it has prescribed that immovable property of the value of Rs. 100/- or more is to be sold by an instrument in writing duly registered and the property of lesser value by such instrument or by delivery of the property. There is no doubt that the motor cycle is a movable property or goods within the meaning of the Sale of Goods Act. In *Behnke v. Bede Shipping Co. Ltd.* (1927) 1 KB 649 it was held that a steam ship was goods within the meaning of the Sale of Goods Act. Equally so was a motor car held to be movable property in *Bishopsgate Motor Finance Corporation Ltd. v. Transport Brakes Ltd.* (1948) 1 All ER 408. In our opinion, the provisions of law applicable to the sale of a motor vehicle or motor cycle are

contained in the Sale of Goods Act and we do not understand the learned Single Judge in referring to section 54 of the Transfer of Property Act to be referring to the provisions of law governing the sale of such vehicles.

11. Having arrived at this conclusion, we shall examine if the provisions of the Motor Vehicles Act have any bearing on the validity of the sale of motor vehicles. The motor Vehicles Act in Section 2, clauses (15), (16), (17) and (18) contains definitions of various motor vehicles. But the same are not material for decision of the case, Clause (19) of Section 2 gives the following definition of the owner:--

"owner means, where the person in possession of a motor vehicle is a minor, the guardian of such minor, and in relation to a motor vehicle which is the subject of a hire purchase agreement, the person in possession of the vehicle under that agreement."

This definition shows that although in law a minor may be the legal owner of the vehicle, his guardian has been constituted as owner for purposes of Motor Vehicles Act and in relation to a hire-purchase agreement, the person in possession of the vehicle, although not the legal owner, has been constituted the owner. Reliance has also been placed on Section 4 and 5 of the act. Section 4 prohibits minors to drive motor vehicles in a public place while Section 5 says that no owner or person in charge of a motor vehicle shall cause or permit any person to drive the motor vehicle contrary to section 3 and 4 Section 22 of the act lays down that no person shall drive any motor vehicle and no owner of a motor vehicle shall cause or permit the vehicle to be driven in any public place * * * unless the vehicle is registered in accordance with this Chapter and the certificate of registration of the vehicle has not been suspended or cancelled and the vehicle carries a registration mark. Section 24 provides that an application by or on behalf of the owner of a motor vehicle for registration shall be in Form E and shall contain the informed required by that Form, provided that where a motor vehicle is jointly owned by more persons than one, the application shall be made by one of them on behalf of all the owners and such applicant shall be deemed to be owner of the vehicle for purposes of the act. Section 26 requires that the registering authority shall, before proceeding to register a vehicle, require the applicant to produce the vehicle for inspection and satisfaction of the authority with regard to particulars contained in the application. Section 27 permits the registering authority to refuse to register a vehicle under the circumstances mentioned in the provision. Section 31 is a material section on which reliance has been placed by both the parties for a correct determination of the question of law. It reads as follows:--

"31. (1) Where the ownership of any motor vehicle registered under the Chapter is transferred,-- (a) the transferor shall, within fourteen days of the transfer, report the transfer to the registering authority within whose jurisdiction the transfer is effected and shall simultaneously send a copy of the said report to the transferee;

(b) the transferee shall, within thirty days of the transfer, report the transfer to the registering authority within whose jurisdiction he resides, and shall forward the certificate of registration to that registering authority together with the prescribed fee and a copy of the report received by him from the transferor in order that particulars of the transfer of ownership may be entered in the certificate of registration.

(2) A registering authority other than the original registering authority making any such entry shall communicate the transfer of ownership to the original registering authority".

12. The penalty for contravention of the provisions of the Act or the rules made there under is contained in Section 112 Ix of the Act. It is, however, significant that there is in particular no provision of law stating that the registration of a motor vehicle is the condition precedent for any transfer of the vehicle or that in the absence of registration, the sale would be void or ineffective. On the other hand, an analysis of Section 31 of the Act shows that it presupposes a valid subsisting transfer by the registered owner of the vehicle to another person and the transferor is enjoined upon a duty within 14 days after the transfer to report the transfer to the authority and the transferee is, within 30 days required to report the transfer to the authority. The endorsement of the transfer in the records of the registering authority is, Therefore not a condition precedent to the transfer nor does it deal with the legality or validity of the transfer which must be determined by other provisions of the law. Should any person in disregard of the provision of law fail to intimate the transfer to the authority or drive the vehicle in a public without a certificate of registration, he runs the risk of incurring the risk of incurring the penalties provided by the Act, but his title to the purchase of the vehicle undoubtedly remains unaffected nor does the title remain in suspense during the grace period allowed for effecting endorsements of registration.

13. On a perusal of the provisions of the Motor Vehicle Act, it cannot be denied that the registration certificate is a very important piece of evidence to show the ownership of the vehicle, particularly as the person making an application is required to produce the vehicle before the authority for inspection and without a registration certificate a person would normally find it useless to own the vehicle if he cannot drive it in any public place and so in his own interest, the transferor will take steps to have the particulars of the transfer endorsed on the certificate of registration. However failure to do so cannot be deemed to militate against the validity and legality of the passing of the title in the vehicle so transferred or to expose the innocent seller who may have done his all to complete the transfer to legal liabilities for acts or omissions in respect of the vehicle subsequent to the transfer. Moreover, the certificate of registration is not a document of title it is issued to the owner of the vehicle, that it is the person by whom the vehicle is kept and used and although a proviso is made for changes of ownership to be recorded in the book the name appearing in it may be of the legal owner of the vehicle the registration book is evidence of title and its absence at the time of sale should put

a purchase on equity see Halsbury's Laws of England Third Edition Vol. 33, paragraph 760, page 447, Joblin v. Watkins and Roseveare (Motors) Ltd. (1949) 1 All Er 47 and Central Newbury car Auctions Ltd. V. Unity Finance Ltd. (Mercury) (1965) 3 All Er 905. The judicial Committee of the privy council in Sajan Singh v. Sardara Ali 1960 Ac 167 observed on page 177 that the defendant remained registered as the owner of the lorry and that no permission has been given for the sale but this did not prevent the property in it passing to the plaintiff the registration books is not a document of title and the title passed by sale and delivery of the lorry to the plaintiff the absence of registration would no doubt put the plaintiff in difficulty if he had to prove his title but it would not invalidate the same. Our conclusion is that the certificate or registrations an important piece of evidence to ostensibly show the owner of the vehicle who is liable to pay taxes and to perform duties and obligations under the Motor Vehicles Act, but the endorsement of transfer on the certificate is not a condition precedent and its absence does not make an otherwise valid sale of the illegal or ineffective.

14. Mr. Dhanda counsel for the appellant has strongly contended that effect of the sale of the vehicle by the insured has the effect of causing laps of the policy. He has relied upon Shawcross on motor Insurance, page 93 for the proposition the only parties to the contract and not the transferees have rights under the contract. in Rogerson v. Scottish Automobile and General Insurance Co. Ltd. 1931 All Er 606 the House of Lords held that the covered under the policy depended on the hypothesis of an insured car and if the assured's rights in its respect had ceased when he sold it, no rights could be claimed under the policy. In this case, the assured claimed rights in respect of a new car purchased which was not covered by the policy. In Tattersall v. Drysdale (1935) All Er 112, Goddard J. observed that where a policy insured the plaintiff in respect of the ownership and user of a specified car, he could not avail of the protection of the policy if he divested himself of his interest in the car. A more specific decision of assistance in the case before us is Peters v. General Accident and Life Assurance Corporation Ltd. (1937) 4 All Er 628. The facts of the case were that the vendor of a motor car insured by the insurance company handed over the insurance policy with the car to the vendee. The car was involved in an accident and damages were awarded against the purchase who sought to recover the same from the insurance company on the basis of the policy under the provisions of the Road Traffic Act, 1934. The Court held that when the vendor had sold the car, the insurance policy automatically lapsed. A Division Bench of the High Court of Madras in M. Bhoopathy (Died) and Others Vs. M.S. Vijayalakshmi and Another, , held that section 96 of our motor Vehicles Act was on pari materia with Section 10 of the English Road Traffic Act, 1934 and it overruling its previous decision in Madras Motor Insurance Co. Ltd., Madras Vs. Mohamed Mustafa Badsha and Others, , held that in the absence of an express stipulation to the contrary in the policy the moment the insured person parts with his vehicle the policy relating to it lapses. Same view has been taken by another Division Bench of the High Court of Madras in Queensland Insurance Co. Ltd. Vs. Rajalakshmi Ammal and

Others, . The High Court of Punjab has also taken the same view in *Des Raj Pahwa v. Concord of India Insurance company Ltd.* Air 1951 P&H 114 and in *S. Mehtab Singh S. Jot Singh and Another Vs. National Fire and General Insurance Co. Ltd. and Another*, , this court, P. N. Kanna, J. has taken the same view in *Nanu Mal Vs. Inder Singh and Others*, , and his lordship observe that the liability of the insurance company lapsed on the transfer of the motor vehicle. We are, Therefore, clearly of the view that in the absence of a stipulation to the contrary, an insurance policy which is a personal contract for indemnity lapses upon the transfer of the motor vehicle and the benefit of the policy is not available to the transfer without an express agreement with the insurance company.

15. The legal conclusion we have arrived at leads to hardships which have been emphasised by Mr. Pombra counsel for the legal representatives. u/s 94 of the Motor Vehicles Act, no person except a passenger shall use or cause or any person to use a motor vehicle in a public place unless there is in force in relation to the vehicle by that person a policy of that vehicle by that person a policy of insurance complying with the requirements of Chapter Viii of the Act. Section 95 provides that a policy of insurance must be a policy which insures the person or classes of persons specified in the policy against any liability which may be incurred by him in respect of the death of or bodily injury to any person caused by or arising out of the use of the vehicle in a public place. This is what is known as the third party risk and is a compulsory requirement of driving a motor vehicle in such place. It is, Therefore, a difficult to conceive if the insurance company can refuse to insure a vehicle in the case of any particular person although they have full discretion in respect of comprehensive insurance. As a result, the users of the road would be entitled to assume that a registered motor vehicle plying on the road is duly covered by a third partly risk"s insurance. It would really be a misfortune if a person involved in the accident or his legal representatives should find that they lose the benefit of compulsory third party risk insurance merely because the registered owner of the vehicle has transferred the same to another person whose name has still not been endorsed on the insurance policy. This would deviate from the effectiveness of the provision of section 95 of the Act but on a construction of the law as it stands In our view on other conclusion is commendable than the one returned by us in view of the catena of authorities. If a different result is intended by the Legislature it is for it to intervene by suitable express provisions.

16. The next contention is whether it was open to the insurance company to take the plea of the laps of the policy and it s exoneration from the liability. The learned Single Judge has relied upon *British India General Insurance Co. Ltd. Vs. Captain Itbar Singh and Others*, , where it has been laid down that only the defenses specified in sub-section (2) of Section 96 are available to the insurance company in proceeding to recover compensation. There can be no quarrel with the proposition of the law of formulated. The distinguishing feature however is that the attraction of the provisions of Section 96 presupposes the existence of a valid insurance policy. Should such a policy be subsisting the insure cannot raise

any other defense but when the existence or subsistence of a contract of insurance is challenged or the insurance contended that the policy has lapsed or is not available to cover the liability of the purchase of the vehicle the restrictions contained in sub-section (2) of Section 96 would be not attracted. We are supported in our view by the authority of the High Court of Madras in the case of Queensland Insurance Co. Ltd. Vs. Rajalakshmi Ammal and Others, , paragraph 11.

17. This takes us to the determination of the question whether in fact any sale of the vehicle had taken place on the date of the accident. We have heard the learned counsel for the parties at length and we find ourselves in agreement with the learned Single Judge on the facts of the case. It is significant that there is absolutely no documentary evidence, direct or indirect prior to 24th July 1963 to evidence the transaction of sale and it is not possible to believe that the purchase an employee of the India Standard Institute would obtain conveyance of the vehicle without any receipt for consideration of any other evidence of the vehicle without any other evidence of transfer being reduced to writing. There is no oral or document evidence of any kind to support the plea that any price had been paid or has been agreed to be paid. The accident occurred on 16th July 1963 and the first intimation sent to the motor licensing officer of the alleged sale is dated 24th July 1963 (Exhibit R-3 W-1/1) and it states that this is to certify that I sold my motor cycle to the purchaser on (date) 1st July 1936 and request was made to transfer the ownership. This was on the letter head of the Automobile Association of India. It is not possible to believe that the seller and the buyer and also the Automobile Association of India. It is not possible to believe that the seller and the buyer and also the Automobile Association were not aware of the provision of law that information about the transfer must be communicated to the authority within 14 days as provided by clause (a) of sub-section (1) of Section 31 of the Act. Even this letter is not accompanied by any document any evidence to support the transfer or passing of the consideration. In fact it is conspicuously silent even with regard to the amount for which the vehicle had been sold. Intimation to the insurance company was also made on or about 25th July 1963. The purchaser filed in the proposal to cover insurance of the vehicle in dispute form 3 re September 1936 to 15th October 1963 and in paragraph 9 in answer to the question whether any accident had happened to the cycle or had any of the additional riders in connection with the motor vehicle he stated that none has been made by the proposer. The motor cycle has been however involved in a recent accident. The company has been informed about it." This shows that the purchaser did not accept any responsibility in respect of the liability for the accident which occurred on 16th July 1963 when he is alleged to be owner. It is true that in this proposal under the particulars of date of purchase he has mentioned 1st July 1963 but there is no reason why he did not claim to cover the insurance for the period from onwards. It is also significant to notice that the existing policy issued in favor of the seller covered the risk in respect of this vehicle for comprehensive insurance from the seller for this year.

It appear that no separate premium was charge from the purchaser nor it is in evidence that any part of the premium was refund to the seller for the period from 1st July 1963 to September or October 1963 and the insurance in favor of the purchaser was issued only by an endorsement on the original policy of the seller. These circumstance amply justify the reluctance of the oral statement of the purchaser and the seller in support of the alleged sale. The counsel for the legal representatives has adversely commented on their statement as having been made deliberately after the accident in order to deprive them of their claim for compensation against the insurance company. We do not find any material on the record to determine whether the comment of the counsel is justified but we agree with the learned single Judge that on the facts and circumstance of this case it must be held that no absolute sale of the vehicle had taken place till 23rd July 1963 and the accident occurred when the vehicle was still owned by the seller. It has been plausibly suggested at the bar that the parties taken about on or before 1st July 1963 to sell the vehicle and it was being tested by the purchaser but it was being tested by the purchaser but the agreement of sale if any would not confer any right on the purchaser and the property in the goods had not passed to the purchaser on or before 16th July, 1963 or for that matter till 23rd July 1963. On our finding that the sale had not taken place and the accident had occurred when the seller was the owner of the vehicle the liability of the seller arises and consequently liability of the insurance company to indemnify the seller against their party risk reminder intact and subsisting in terms of the contract of insurance.

18. On the question of liability of the accident there is not much dispute between the parties. It appears to us that the seller remitted the purchaser to use his vehicle who on the date of the accident, was holding it on his behalf an the purchaser gave it to the a garage man and in the course of his employment the mechanic drove the vehicle and caused the accident. As a result the seller as well as the insurance accompany and the garage man and the mechanic would all be jointly and severally liable to pay the amount of compensation awarded by the amount of compensation awarded by the learned Single Judge, to the legal representatives of the deceased.

19. On arguments were addressed to us on the quantum of compensation. As a matter of fact the Tribunal in the first instance has given very good reasons after correct application of the principle of law and to arrive at the awarded amount and the learned Single Judge has rightly endorsed them. Mr. Pombra for the legal representatives faintly suggested that the amount of compensation be enchanted to Rs.1,50,000/- but his submission was wholly misconceived as his clients never filed any appeal or cross objection against the order of the learned Single Judge and they are consequently not entitled to any enhancement nor is there any justification to vary the amount. All the counsel appearing before us agreed that the liability of the garage man must also be included in the order of the learned Single Judge.

20. As a result we dismiss the appeals with the modification that besides the insurance company the seller Gurcharn Singh and the mechanic Ram Lal found liable by the learned Single Judge Gulari Lal respondent No. 8 (herein referred to as garage man) would also be liable to pay the amount of Rs.31,500/- as compensation awarded to the legal representatives of the deceased. The parties will bear their respective costs of the appeals before us.

21. Order accordingly.