

**IN THE HIGH COURT OF PUNJAB & HARYANA AT
CHANDIGARH.**

CWP No.27348 of 2017

Date of decision: December 01, 2017

National Insurance Company Limited

...Petitioner

Versus

Mustafa and another

...Respondents

CORAM: HON'BLE MR. JUSTICE RAJAN GUPTA

Present: Mr. Satpal Dhamija, Advocate for the petitioner.

Rajan Gupta, J.

Petitioner insurance company has prayed for a writ in the nature of certiorari for quashing of Award dated 11.8.2017, passed by the Permanent Lok Adalat (Public Utility Services), Nuh, allowing the application of the respondent No.1 and directing the petitioner company to pay Rs.68,950/- within a period of two months from the date of order, failing which petitioner company would be liable to pay interest @ 9% per annum from the date of order till realization.

Order has been challenged by the insurance company on the ground that it was not liable to pay any compensation as no external impact on any part of the vehicle was visible. Moreover, the Lok Adalat had no jurisdiction to settle the dispute.

I have heard learned counsel for the petitioner and given careful thought to the facts of the case.

It appears, respondent No.1 being registered owner of vehicle

Wagon-R bearing No.HR-74A-7692, which was insured with the petitioner insurance company, was on his journey from Nuh to Gurgaon on 23.11.2016. On the way, said vehicle struck with a heavy stone lying on the road, as a result of which engine of the vehicle was almost damaged. Respondent No.1 submitted his claim of Rs.68,950/- on account of expenses incurred by him for repair of the vehicle, but same was declined by the petitioner company. Aggrieved, respondent Mustafa filed application under Section 22-C of the Legal Services Authorities Act, 1987 before Permanent Lok Adalat, Public Utility Services, Nuh. The said Forum, vide order dated 11.8.2017, accepted the application, directing the petitioner insurance company to pay a sum of Rs.68,950/- to respondent No.1 within a period of two months from the date of order, otherwise insurance company would be liable to pay interest @ 9% per annum from the date of order till realization. I find no ground to interfere in writ jurisdiction. It is evident that the vehicle was insured with the petitioner company and respondent No.1 had proved the expenses on repair of his damaged vehicle by producing bill/cash memo. So, the insurance company cannot be absolved its liability to pay the compensation. The Forum has, thus, rightly directed the petitioner company to pay compensation to respondent No.1, owner of the vehicle. The petition is without any merit and is hereby dismissed.

(RAJAN GUPTA)
JUDGE

December 01, 2017
'Rajpal'

Whether speaking / reasoned

Yes / No

Whether Reportable:

Yes / No