IN THE HIGH COURT OF PUNJAB & HARYANA AT CHANDIGARH.

CWP No.20525 of 2018
Date of decision: November 12, 2018

TATA AIG General Insurance Co. Ltd. ...Petitioner

Versus

Surjit and another ...Respondents

CORAM: **HON'BLE MR. JUSTICE RAJAN GUPTA**

Present: Mr. Rajneesh Malhotra, Advocate for the petitioner.

Rajan Gupta, J.

Petitioner company has prayed for a writ in the nature of certiorari for quashing of Award dated 11.10.2017, passed by the Permanent Lok Adalat (Public Utility Services), Karnal, Camp at Kurukshetra, accepting the application of respondent No.1 and directing petitioner company to pay claim of Rs.2,38,221/- alongwith Rs.11000/- as litigation charges within 45 days from the date of award.

Order has been challenged by the Insurance Company on the ground that it was not liable to pay the claim as directed by the Lok Adalat, as the tractor was meant for agriculture purposes but same was being used for transporting the bricks, in contravention of the terms of the insurance policy. Further its driver was not holding a valid driving licence.

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

It appears, tractor bearing registration No.HR-41G-1062 was comprehensively insured with the petitioner company w.e.f. 24.01.2015 to 23.01.2016. Said vehicle met with an accident on 25.11.2015, resulting into complete loss. FIR was also registered in this regard. Respondent No.1 submitted his claim with the insurance company, but his claim was repudiated vide letter dated 17.08.2016. Aggrieved, respondent No.1 filed application under Section 22-C of the Legal Services Authorities Act, 1987 before Permanent Lok Adalat, Public Utility Services, Karnal, Camp Court at Kurukshetra. The said Forum, vide order dated 11.10.2017, accepted the application, directing petitioner company to pay claim of Rs.2,38,221/- alongwith Rs.11000/- as litigation charges within 45 days from the date of award. I find no ground to interfere in writ jurisdiction. Admittedly, the vehicle in question was insured with the petitioner company at the relevant time, when it met with the accident resulting into complete loss. Though, vehicle was meant for agriculture purpose, but since its owner had been using the same for his personal purpose i.e. for carrying the bricks and not for commercial purposes, the insurance company was not justified in repudiating his claim. Moreover, driver of the said vehicle was holding a valid and effective driving licence, which was placed on record as Ex.R-2. The surveyor of the company assessed the loss to the vehicle to the tune of Rs.2,38,221/-. The Forum has, thus, rightly directed the petitioner company to pay the aforesaid amount alongwith litigation charges to respondent No.1. The petition is without any merit and is hereby dismissed.

(RAJAN GUPTA)
JUDGE

November 12, 2018
'Rajpal'

Whether speaking / reasoned Yes / No

Whether Reportable: Yes / No