

IN THE PUNJAB AND HARYANA HIGH COURT AT
CHANDIGARH

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CWP-23218-2019
Date of Decision: 20.02.2024

NEW INDIA ASSURANCE COMPANY LTD.

... Petitioner

VERSUS

CHETAN PARKASH AND OTHERS

... Respondents

CORAM: HON'BLE MR. JUSTICE VINOD S. BHARDWAJ.

Present: Mr. Paul S. Saini, Advocate
for the petitioner.

Mr. Sachin Gupta, Advocate
for respondent No.1.

VINOD S. BHARDWAJ, J. (ORAL)

Challenge in the present petition is to the impugned Award dated 27.03.2019 (Annexure P-7) passed by the Permanent Lok Adalat (Public Utility Services), Kurukshetra, whereby the application filed by the respondent No.1- Applicant had been allowed and the petitioner-Insurance Company had been directed to disburse the insurance claim of Rs.53,116/-; compensation of Rs.50,000/- for mental agony and harassment in addition to the litigation expenses of Rs.10,000/-.

Aggrieved thereof, the present writ petition has been filed.

The writ petition came up for preliminary hearing on 05.09.2019, when the following order was passed:

“The New India Assurance Company Limited, has filed the instant petition against the award dated 27.03.2019 passed by the Permanent Lok Adalat (Public Utility Services), Kurukshetra, and in terms of which an application under Section 22 (C) of the Legal

Services Authorities Act 1987, filed by respondent No.1 has been allowed and an insurance claim of Rs.53,116/- on account of repair charges of the vehicle has been allowed. In addition thereto an amount of Rs.50,000/-towards compensation and litigation expenses of Rs.10,000/- have been directed.

Learned counsel at the very outset would confine the scope of the instant petition as regards the compensation amount quantified as Rs.50,000/-.

Inter alia contends that against an insurance claim of Rs.53,000/- approximately the award of compensation to the extent of Rs.50,000/- is much on the higher side.

Notice of motion returnable for 18.02.2020.

Operation of the impugned award to the extent of directing compensation of Rs.50,000/- shall remain stayed.”

It is evident from a perusal of the aforesaid order that the scope of the present petition was confined only to the compensation amount quantified at Rs.50,000/-.

Counsel for the petitioner-Insurance Company contends that the insurance claim was of Rs.53,116/- and as against the same, a compensation of Rs.50,000/- has been granted, which is on a higher side. It is contended that the abovesaid claim was rejected on the basis of valid and reasonable grounds, however, the stand of the petitioner-Insurance Company did not find favour before Permanent Lok Adalat (Public Utility Services), Kurukshetra. It is submitted that the petitioner-Insurance Company would be satisfied in case the abovesaid compensation awarded, which is on the higher side, is proportionately reduced as commensurate with the total insurance claim that had been lodged with the petitioner-Insurance Company.

Counsel for respondent No.1-Applicant fairly submits that appropriate compensation as this Court deems just and proper may be granted.

Having noticed that all other claims of the petitioner-Insurance Company stand already waived as per the preliminary order passed on 05.09.2019 and the dispute was confined only to the compensation amount quantified at Rs.50,000/-, I am of the opinion that the abovesaid amount is seemingly excessive taking into consideration the total insurance claim that had been filed by the respondent No.1-Applicant. The quantified amount of Rs.50,000/- towards compensation is accordingly reduced to Rs.25,000/-. The impugned Award is accordingly modified in the same terms. The interest as awarded by the Permanent Lok Adalat (Public Utility Services), Kurukshetra shall enure in favour of the respondent No.1-Applicant on the reduced amount of compensation.

The petition stands partly allowed.

FEBRUARY 20, 2024
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(VINOD S. BHARDWAJ)
JUDGE

Whether speaking/reasoned : Yes/No
Whether reportable : Yes/No