

S U P R E M E C O U R T O F I N D I A
 RECORD OF PROCEEDINGS
 CIVIL APPEAL NO(s). 214 OF 2004

NATIONAL INSURANCE CO. LTD.

Appellant (s)

VERSUS

GOGULOTH DWALI & ORS.

Respondent(s)

(With office report)

Date: 22/07/2010 This Appeal was called on for hearing today.

CORAM :

HON'BLE MR. JUSTICE AFTAB ALAM

HON'BLE MR. JUSTICE R.M. LODHA

For Appellant(s)

Mr. Parmanand Gaur, Adv.

For Respondent(s)

Mr. P. Venkat Reddy, Adv.

Mr. B. Ramana Murthy, Adv.

Mr. Anil Kumar Tandale, Adv.

UPON hearing counsel the Court made the following
 O R D E R

the appeal is disposed of with the direction that it will be open to the appellant to recover the entire amount paid by it from the owner of the vehicle involved in the accident.

The amount deposited by the appellant in the registry of the Court may now be withdrawn by the claimants.

(Neetu Khajuria)
 Sr. P.A.

(R.K. Sharma)
 Court Master

(Signed order is placed on the file.)

IN THE SUPREME COURT OF INDIA

CIVIL APPELLATE JURISDICTION

CIVIL APPEAL NO. 214 OF 2004

NATIONAL INSURANCE CO. LTD.

APPELLANT

VERSUS

GOGULOTH DWALI & ORS.

RESPONDENTS

O R D E R

The person who died in the motor accident was found to

be a gratuitous passenger on a goods vehicle.

Nevertheless, the Tribunal and the High Court held

that the appellant, the Insurance Company is liable to make payment of the compensation amount. The High Court decision is based on a judgment of this Court in New India Assurance Company vs. Satpal Singh & Ors., 2000 (1) SCC 237. But the decision rendered in Satpal Singh's case (supra) was later overruled by a three-judge bench decision in New India Assurance Co. vs. Asha Rani, (2003) 2 SCC 223 and it no longer holds the field. It is, therefore true that the High Court was in error in holding the appellant liable for making the payment and giving a direction in that regard. We, accordingly, uphold the legal contention advanced on behalf of the appellant.

Having set right the legal position we must add that the full amount of compensation, rupees one lakh and thirty thousand (Rs.1,30,000.00) only has already been deposited by the appellant.

In that view, we dispose of this appeal with the direction that it will be open to the appellant to recover the entire amount paid by it from the owner of the vehicle involved in the accident.

The amount deposited by the appellant in the registry of the Court may now be withdrawn by the claimants.

.....J.
(AFTAB ALAM)

.....J.
(R.M. LODHA)

New Delhi,
July 22, 2010