



2026:PHHC:066547

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**IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH**

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**FAO-767-2004 (O&M)**

**JITINDER AND ANOTHER**

. . . . Appellants

**Vs.**

**Munni Devi and others**

. . . . Respondents

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**Reserved on: 28.04.2026**  
**Pronounced on: 30.04.2026**  
**Pronounced Fully/Operative Part: Fully**

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**CORAM: HON'BLE MR JUSTICE DEEPAK GUPTA**

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Present: - Mr. Sagar Aggarwal, Advocate, for the appellants.

Ms. Sarita Devi, Advocate, for  
Mr. Rajesh Verma, Advocate,  
for respondent No.7-The Oriental Inst. Co. Ltd.

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**DEEPAK GUPTA, J.**

The present appeal has been filed by the driver and owner of the offending vehicle assailing the award dated 05.11.2003 passed by the learned Motor Accident Claims Tribunal, Panipat, whereby the Insurance Company has been directed to satisfy the award in the first instance with liberty to recover the same from the appellants.

2. The facts, in brief, are that on 07.02.2002, Nafe Singh (*since deceased*) was travelling in a trolley loaded with sugarcane, which was attached to a tractor bearing registration No. HR-06D-1505, being driven by appellant Jitinder. The tractor was proceeding from Muzaffarnagar towards Iqbalpur Sugar Mill. Near the bridge of Gang Canal, the tractor was found to be carrying two trolleys, both heavily loaded with sugarcane, and was being driven in a



rash and negligent manner. Owing to the excessive load and imbalance, the tractor overturned into the canal. The deceased, who was sitting atop the sugarcane in the trolley, got trapped beneath it and died at the spot. An FIR was registered against the driver. The widow and five children of the deceased thereafter instituted a claim petition under Section 166 of the Motor Vehicles Act, 1988.

3. Upon appreciation of the evidence, the learned Tribunal recorded a categorical finding that the accident had occurred due to rash and negligent driving of the offending tractor by appellant Jitender. Compensation to the tune of ₹1,51,200/- was awarded. Although the vehicle was found to be insured, the Tribunal held that there was a breach of the terms and conditions of the policy inasmuch as two overloaded trolleys had been attached to the tractor. Consequently, while directing the Insurance Company to satisfy the award in the first instance, recovery rights were granted against the driver and owner.

4. Assailing the said finding, learned counsel for the appellants has contended that the tractor was insured under a 'Kisan Package Policy' and that the policy covered agricultural use, including trailers. Reliance has been placed upon Rule 2(b) of the Central Motor Vehicles Rules, 1989 to argue that the expression "trailers" used therein permits attachment of more than one trailer, and therefore, no breach of policy can be said to have occurred. It is thus contended that the Insurance Company has been wrongly granted recovery rights.

5. *Per contra*, learned counsel for the Insurance Company has supported the findings of the Tribunal and submitted that the vehicle was being used in a manner wholly inconsistent with the terms of the policy and basic safety norms, thereby constituting a clear breach.

6. This Court has considered the rival submissions and examined the material on record.



7. It is not in dispute that at the time of the accident, two trolleys<sup>2026:PHHC:066547</sup> loaded with sugarcane were attached to the tractor and that the same were overloaded. It is also evident that the deceased was made to sit on top of the loaded trolley, thereby exposing him to obvious risk.

8. The terms 'agricultural tractor' and 'agricultural trailer' are defined in Rule 2 (b) & (c) of Central Motor Vehicle Rules, 1989 as under: -

**"agricultural tractor"** means any mechanically propelled 4-wheel vehicle designed to work with suitable implements for various field operations and/ or trailers to transport agricultural materials. Agricultural tractor is a non-transport vehicle.

**"agricultural trailer"** means a trailer generally left uncovered with single/double axle construction which is coupled to an Agricultural Tractor by means of two hooks and predominantly used for transporting agricultural materials.

9. The argument raised on behalf of the appellants based on the use of the plural expression "trailers" in Rule 2(b) of the Central Motor Vehicles Rules cannot be accepted in a literal or mechanical manner. The statutory definition is required to be interpreted in a purposive and practical context. An agricultural tractor is designed to operate with implements or a trailer for agricultural purposes; however, such usage must remain within the bounds of safety and the contractual terms of the insurance policy. The mere use of the plural form does not imply an unrestricted right to attach multiple trailers irrespective of safety considerations or policy limitations.

10. Attachment of two trolleys, that too heavily overloaded, materially alters the dynamics of the vehicle, including its balance, braking capacity and maneuverability. Such use clearly enhances the risk beyond what is ordinarily contemplated under an insurance contract covering an agricultural tractor. The facts of the present case demonstrate that the accident itself was a direct consequence of such improper and unsafe use.



11. In these circumstances, this Court is of the considered view that the act of attaching two overloaded trolleys constituted a fundamental breach of the terms and conditions of the policy. The Tribunal has rightly drawn such conclusion.

12. It is a settled principle of law that even in cases where there is a breach of policy conditions, the insurer is under a statutory obligation to satisfy the award qua third party and is thereafter entitled to recover the amount from the insured. The Tribunal has correctly applied this principle by directing the Insurance Company to pay the compensation in the first instance with liberty to recover the same from the appellants.

13. In view of the aforesaid discussion, this Court finds no illegality, infirmity or perversity in the findings recorded by the learned Tribunal. The reasoning is sound and in consonance with the settled legal position.

14. Consequently, the present appeal, being devoid of merit, is hereby dismissed.

**(DEEPAK GUPTA)**  
**JUDGE**

**30.04.2026**

*Vivek*

<i>Whether Speaking/reasoned</i>	<i>Yes</i>
<i>Whether reportable</i>	<i>No</i>

**Uploaded on: 30.04.2026**