



IN THE HIGH COURT OF KARNATAKA AT BENGALURU

DATED THIS THE 1ST DAY OF JULY, 2026

PRESENT

THE HON'BLE MR. JUSTICE JAYANT BANERJI

AND

THE HON'BLE MS. JUSTICE TARA VITASTA GANJU

MISCELLANEOUS FIRST APPEAL NO. 9180 OF 2018 (MV-D)

BETWEEN:

1. SMT. K.S.PRAVEENA
W/O LATE C.VENKATACHALAPATHY,
AGED ABOUT 34 YEARS.
 2. KUMARI V.LAHARI
D/O LATE C.VENKATACHALAPATHY,
AGED ABOUT 8 YEARS.
 3. KUMARI THANUSHREE
D/O LATE C.VENKATACHALAPATHY,
AGED ABOUT 6 YEARS.
 4. MASTER V.KOMAL GANIGA
S/O LATE C.VENKATACHALAPATHY,
AGED ABOUT 4 YEARS.
 5. SRI CHINNAPPA SHETTY
S/O DODDAGOVINDASHETTY,
AGED ABOUT 66 YEARS.
 6. SMT. ANJINAMMA
W/O CHINNAPPA SHETTY,
AGED ABOUT 61 YEARS,
- 2ND, 3RD AND 4TH MINOR APPELLANTS
REP.BY NATURAL GUARDIAN/MOTHER
1ST APPELLANT, ALL ARE R/AT
DODDAKADATHURU VILLAGE & POST,
MALUR TALUK, KOLAR DISTRICT.

...APPELLANTS

(BY SRI GOPALAKRISHNA N., ADVOCATE)

Digitally
signed by K S
RENUKAMBA
Location:
High Court of
Karnataka



AND:

1. SRI V.R.RAHAMATHULLA
S/O V.S.RASOOL SAB,
MAJOR,
R/AT CHELURU VILLAGE & POST,
BAGEPALLI TALUK,
CHIKKABALLAPUR DISTRICT-561 207.
2. THE SHRIRAM GENERAL
INSURANCE CO. LTD.,
3RD FLOOR, S & S CORNER BUILDING,
OPP:BOWRING & LADY
CURZON HOSPITAL, SHIVAJINAGAR,
BANGALORE-560 001,
REP:BY ITS MANAGER.

...RESPONDENTS

(BY SRI A.N.KRISHNASWAMY., ADVOCATE FOR R2;
NOTICE TO R1 HELD SUFFICIENT V/C/O DATED 01.08.2025)

THIS MISCELLANEOUS FIRST APPEAL IS FILED U/S 173(1) OF MV ACT PRAYING TO MODIFY THE JUDGMENT AND AWARD DATED 07.06.2018 PASSED IN M.V.C.NO.2063/2017 ON THE FILE OF THE XVI ADDITIONAL JUDGE, COURT OF SMALL CAUSES, MEMBER, MACT, BENGALURU (SCCH-14), PARTLY ALLOWING THE CLAIM PETITION FOR COMPENSATION AND SEEKING ENHANCEMENT OF COMPENSATION.

THIS MISCELLANEOUS FIRST APPEAL COMING ON FOR ADMISSION, THIS DAY, JUDGMENT WAS DELIVERED THEREIN AS UNDER:

CORAM: HON'BLE MR. JUSTICE JAYANT BANERJI
and
HON'BLE MS. JUSTICE TARA VITASTA GANJU

ORAL JUDGMENT

(PER: HON'BLE MR. JUSTICE JAYANT BANERJI)

We note from the records that notice on respondent No.1 has been held to be sufficient vide order of this Court dated 01.08.2025.



2. This is the claimant's appeal impugning the award passed by the XVI Additional Judge, Court of Small Causes, Motor Vehicles Claims Tribunal, Bangalore City (SCCH-14) dated 07.06.2018 in M.V.C.No.2063/2017.

3. The sole issue being that the Tribunal despite holding the owner of the offending vehicle to be alone liable to pay the mentioned proportionate compensation to the appellants, no order has been passed directing the Insurance Company to pay the compensation as aforesaid and to recover it from the owner.

4. Learned Counsel for the Insurance Company has relied upon the judgment of the Supreme Court in **Pappu v. Vinod Kumar Lamba**¹ in this regard.

5. We have perused the judgment of the Tribunal.

6. We find that a categorical finding regarding liability has been returned by the Tribunal that respondent No.1 who was the owner, had entrusted his vehicle Tata Ace to a person/driver who did not possess a valid and effective driving

¹ (2018) 3 SCC 208



licence at the time of the alleged accident. The charge sheet filed by the police against the driver of the offending vehicle was noted. This evidence on record itself has led to a finding by the Tribunal to that effect. The fact, in all fairness, is not disputed by learned Counsel appearing for respondent No.2/Insurance Company that the owner alone was held liable to pay the proportionate compensation to the appellants.

7. We have perused the record as well as the judgment of the Supreme Court cited by learned Counsel for respondent No.2/Insurance Company. In the aforesaid judgment, it is categorically observed as follows:

“19. In the present case, the owner of the vehicle (respondent No.1) had produced the insurance certificate indicating that vehicle No. DIL- 5955 was comprehensively insured by the respondent No.2 (Insurance Company) for unlimited liability. Applying the dictum in the case of National Insurance Company Ltd. (supra), to subserve the ends of justice, the insurer (respondent No.2) shall pay the claim amount awarded by the Tribunal to the appellants in the first instance, with liberty to recover the same from the owner of the vehicle (respondent No.1) in accordance with law.”



8. Therefore we hold that it is respondent No.2/Insurance Company that must pay the amount of compensation to the claimant and recover it from the owner.

9. Learned Counsel for respondent No.2/Insurance Company has urged that the rate of interest fixed by the Tribunal at the rate of 9% is excessive and no more than 6% interest should be awarded. Thus, he has sought for appropriate modification of the award.

10. Firstly, we notice that no appeal has been filed by the Insurance Company. Secondly, on aspect of interest awarded by the Tribunal, one of us, Justice Tara Vitasta Ganju, has in a recent judgment captioned ***United India Insurance Co. Ltd. vs. Sri. Malyadri. M And Others²***, after analyzing the precedents of the Supreme Court and this Court, has found that an award of 9% interest is in accordance with the settled provisions in the present day scenario, especially in cases of death and permanent disability.

11. In this view of the matter, we cannot accept the submissions of learned Counsel for respondent No.2 in the

² 2026 SCC Online Kar 4090



given facts and circumstances of the case, the rate of interest is appropriately awarded by the Tribunal.

12. In view of the aforesaid, the appeal is partly allowed and the award is modified to the effect that respondent No.2-Insurance Company is liable to pay the amount of compensation to the claimants, thereafter, it will have liberty to recover the same from the owner of the offending vehicle who is the respondent No.1. Accordingly, this Court proceeds to pass the following:

ORDER

(i) The appeal is ***allowed in part;***

(ii) The judgment and award dated 07.06.2018 in M.V.C.No.2063/2017 passed by the XVI Additional Judge, Court of Small Causes, Motor Vehicles Claims Tribunal, Bangalore City (SCCH-14) is modified to the effect that respondent No.2-Insurance Company is liable to pay the amount of compensation along with interest at the rate of 9% per annum as awarded by the Tribunal from the date of petition till realization with liberty to recover the same from the owner/respondent No.1 of Tata Ace vehicle (Reg.No.KA-43-6476).



(iii) The remaining portion of the impugned award of the Tribunal remains undisturbed.

(iv) Respondent No.2/Insurance Company is directed to pay the compensation with interest as awarded by the Tribunal within eight weeks from today.

(v) On such deposit of compensation, the same shall be released in favour of the appellants/claimants on filing of an appropriate application for withdrawal of the enhanced amount in the proportion as set out in the Impugned Award.

(vi) The Registry is directed to draw the modified Award accordingly.

(vii) The Registry is directed transmit a copy of this judgment and the records to the concerned Tribunal.

(viii) Pending applications, if any, shall stand disposed of.
No order as to costs.

Sd/-
(JAYANT BANERJI)
JUDGE

Sd/-
(TARA VITASTA GANJU)
JUDGE