

HON'BLE SRI JUSTICE S. RAVI KUMAR

M.A.C.M.A.No. 1876 of 2016

JUDGMENT:

This appeal is preferred against order dated 14.09.2007 in O.P.No.3088 of 2004 on the file of XII Additional Chief Judge (Fast Track Court), City Civil Court, Hyderabad.

2. Appellant herein is 3rd respondent in the above referred O.P. and respondent No.1 herein is claimant. Claimant filed the above referred O.P. claiming compensation of Rs.1,50,000/- for the injuries sustained in a motor accident. Both Insurance Company and A.P. State Road Transport Corporation (APSRTC) i.e., appellant herein filed counter objecting the claim of claimant and the Tribunal on a consideration of oral and documentary evidence of both parties, granted a sum of Rs.60,000/- with proportionate costs and interest at 7.5% per annum as compensation and directed the Insurance Company to satisfy the order first and then recover the same from owner and APSRTC by filing execution petition without filing any suit by relying on a judgment of Hon'ble Supreme Court in **Tamil Nadu State Transport Corporation Ltd. v. S. Rajapriya and Ors.**^[1]. Aggrieved by the said order, APSRTC preferred the present appeal.
3. Heard arguments.

4. Advocate for appellant submitted in view of the decision of Hon'ble Supreme Court in **Managing Director, KSRTC v. New India Assurance Company Limited and another**^[2], the appeal can be disposed of at admission stage itself.

5. Advocate for Insurance Company submitted that as per the decision referred above, all the respondents are jointly and severally liable and APSRTC is at liberty to recover the amount either from the owner or from the insurer in terms of lease agreement and with that stipulation the appeal may be disposed of.

6. I have perused the above referred decision relied on by advocate for appellant. In that case, the question involved is whether in the wake of lease agreement entered into by registered owner with Karnataka State Road Transport Corporation, the registered owner and insurer along with KSRTC can be fastened with the liability to make payment to the claimants and whether KSRTC can recover the amount from registered owner and its entitlement to seek indemnification from insurer. Wherein, the Hon'ble Supreme Court considered that aspect with reference to earlier judgments and finally held that both the registered owner, insurer and KSRTC are liable to make payment jointly and severally to the claimants and KSRTC is entitled to recover the amount paid to the claimants from the owner or from the insurer as per the

terms stipulated in the lease agreement. Here, the Tribunal directed the Insurance Company to satisfy the order and then recover the same both from the owner and APSRTC. But, in view of the above referred judgment, all the three respondents before the Tribunal i.e., owner, Insurance Company and APSRTC are jointly and severally liable to pay the compensation granted in favour of claimant. However, APSRTC is at liberty to recover the amount paid to the claimant either from the owner or from the insurer if the terms of the lease agreement so stipulated.

7. With the above observation, this appeal is disposed of at admission stage.

8. Miscellaneous petitions pending, if any, shall stand closed. No costs.

S. RAVI KUMAR, J

1st July 2016.

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[\[1\]](#) 2005(3) ACJ 1441

[\[2\]](#) 2015 (6) ALD 166 (SC)