THE HONOURABLE SRI JUSTICE D.V.S.S.SOMAYAJULU

M.A.C.M.A.No.474 of 2012

JUDGMENT:

This appeal is filed by the insurance company questioning the judgment and decree passed by the Chairman, Motor Accidents Claims Tribunal-cum-VI Additional District Judge (FTC), Gooty in Original Petition No.184 of 2005 dated 14.03.2007.

The case before the Court below was filed by a minor, who was injured in an accident that occurred on 03.05.2001, claiming compensation of Rs.5,00,000/-. Respondent No.1 therein is the owner of the vehicle, respondent No.2 is the financing agency and respondent No.3 is the insurance company (appellant herein). Respondents 1 and 2 in the O.P did not contest the matter and respondent No.3 filed a counter and contested the matter. On behalf of the petitioner (1st respondent herein), P.Ws.1 to 4 were examined and Exs.A.1 to A.10 were marked. In addition, Exs.X.1 and X.2 were also marked. On behalf of respondent No.3 (appellant herein), R.W.1 was examined and Exs.B.1 and B.2 were marked. After the trial, the Court below passed the impugned judgment and decree awarding a compensation of Rs.3,75,000/- in favour of the petitioner in the O.P (1st respondent herein) and directing that all the respondents therein are jointly and severally liable to pay compensation along with interest and costs. Challenging the same, the present appeal is filed by the insurance company.

This Court has heard Smt.S.A.V.Ratnam, learned counsel for the appellant-insurance company and Smt.N.Sasikala, learned counsel for the 1st respondent.

Learned counsel for the petitioner contends that the driver of the crime vehicle did not hold a valid driving licence and as there is violation of the policy conditions, the appellant-insurance company cannot be held liable to pay the compensation at all. She also contends that the Court below committed an error in passing the impugned judgment against all the respondents in the O.P. According to her, the appellant-insurance company cannot be made liable, as there is a violation of the policy conditions.

In response thereto, learned counsel for the 1st respondent herein points out that this is not a case of absence of licence at all but the licence held by the driver of the crime vehicle has expired and is not renewed. Learned counsel draws a distinction between 'lack of licence' and the lack of a 'valid licence'. She points out that in paragraph 14 of the impugned judgment, the Court below considered all the reported judgments of the Supreme Court of India on the subject, wherein it was observed that on mere technical breach of conditions of driving licence or the holding of a invalid driving licence, the insurance company cannot absolve itself of the liability in paying the compensation, and clearly held that in view of the said judgments reported in ***National Insurance Company Ltd. vs. Swaran Singh***[1] and ***Lal Chand vs. Oriental Insurance Co. Ltd.***[2], the appellant-insurance company cannot avoid its liability to pay compensation merely on a technical breach of the conditions concerning driving licence.

As rightly pointed out by the learned counsel for the 1st respondent, nothing contrary to the above case laws has been pointed out and even the recent judgments of the Hon'ble Supreme Court are to the same effect.

---

[1] 2004 ACJ 1 SC
[2] 2006 ACJ 2161 SC

In that view of the matter, this Court is of the opinion that there is no error in the impugned judgment and decree passed by the Court below and the appellant-insurance company shall pay the compensation as ordered and, thereafter, seek its remedies against the owner of the vehicle.

With these observations, the appeal is disposed of.

As a sequel, the miscellaneous applications pending, if any, shall stand closed. There shall be no order as to costs.

____
(D.V.S.S.SOMAYAJULU, J)

14th November, 2018.
JSU

THE HONOURABLE SRI JUSTICE D.V.S.S.SOMAYAJULU

M.A.C.M.A.No.474 of 2012

Date: 14.11.2018

JSU