**BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT**

DATE: **13.11.2019**

CORAM

**THE HONOURABLE MR.JUSTICE KRISHNAN RAMASAMY**

**C.M.A.(MD).Nos.414 and 415 of 2018**
**and**
**C.M.P.(MD).Nos.5275 and 5276 of 2018**

**C.M.A.(MD).No.414 of 2018**

The Manager,
Reliance General Insurance Company Limited,
Madurai. ... Appellant

-Vs-

1.Veerapathiran @ veeramalai
2.Minor M.Vijay
3.Alagammal
4.G.Venkiatachalapathy

... Respondents

**PRAYER** : Civil Miscellaneous Appeal is filed under Section 173 of the Motor Vehicles Act, against the fair and decreetal order dated 21.03.2017 made in M.C.O.P.No.1068 of 2010 on the file of the Motor Accident Claims Tribunal (I Additional District Judge), Madurai.

For Appellant : Mr.S.Srinivasa Raghavan
For R1 to R3 : Mr.A.B.Natarajan

**C.M.A.(MD).No.415 of 2018**

The Manager,
Reliance General Insurance Company Limited,
Madurai. ... Appellant

-Vs-

1.Palpandi
2.G.Venkatachalapathy

... Respondents

**PRAYER** : Civil Miscellaneous Appeal is filed under Section 173 of the Motor Vehicles Act, against the fair and decreetal order dated 21.03.2017 made in M.C.O.P.No.1069 of 2010 on the file of the Motor Accident Claims Tribunal (I Additional District Judge), Madurai.

For Appellant : Mr.S.Srinivasa Raghavan
For Respondent No I : Mr.A.B.Natarajan

**J U D G M E N T**

These Civil Miscellaneous Appeals have been filed challenging the order passed by the Motor Accident Claims Tribunal (I Additional District Judge), Madurai in M.C.O.P.Nos.1068 and 1069 of 2010, dated 21.03.2017.

2. The main challenge in the present appeals is the appellant/Insurance Company has admitted the fact that they have issued the policy to the lorry bearing Registration No.TN 27 U 4122, on receipt of a cheque and however, they contended that subsequently they have cancelled the policy, due to the reason that the cheque was bounced on 18.06.2009. Further, the appellant/Insurance Company contended that they have sent intimation about the cancellation of policy to the owner of the lorry and the accident was occurred on 11.03.2010. Therefore, according to the appellant/Insurance Company, on the date of accident, there was no valuable policy, since the appellant/Insurance Company has cancelled the policy on 18.06.2009.

3. The learned counsel appearing for the respondents contended that though the appellant/Insurance Company said to have cancelled the policy for the alleged cheque, they have not send intimation to the owner of the lorry and he has also not received any such intimation. Further, he has not taken any new policy, after the alleged receipt of the intimation from the appellant/Insurance Company. The Tribunal also rightly came to the finding that though the appellant/Insurance Company has taken a stand about the genuineness of cancellation of policy by way of RPAD, the appellant/Insurance Company has failed to prove the case by examining the witnesses and producing the documents. In such circumstances only the Tribunal has come to the conclusion that the details of the intimation was not proved. Therefore, the Tribunal directed the appellant/Insurance Company to pay the award amount and recover the same from the owner of the vehicle.

4. I have heard the learned counsel for the appellant/Insurance Company, the learned counsel for the respondents/claimants and perused the materials available on record.

5. On perusal of the records, it is seen that the accident had occurred on 11.03.2010 and it is an admitted fact that the insurance policy was issued to the lorry bearing Registration No.TN 27 U 4122, on receipt of a cheque from the owner of the lorry in the month of June 2009. Thereafter, it is the pleading of the Insurance Company that they have received the cheque and the cheque was bounced.

Therefore, they immediately intimated the same to the owner of the lorry bearing Registration No.TN 27 U 4122 and since no proof was filed about the intimation before the Tribunal, the Tribunal, keeping in mind the dishonour of cheque, directed the appellant/Insurance Company to pay the entire award amount and thereafter recover the same from the owner of the vehicle. This Court is of the view that once the policy is issued, the same cannot be cancelled for the dishonour of the cheque and it is for the appellant/Insurance Company to take appropriate action to file a suit for recovery of claim amount and also initiate proceedings.

6. The learned counsel for the appellant/Insurance Company submitted that the award passed by the Tribunal may be confirmed and pay and recovery may be ordered as ordered by the Tribunal. For this, the learned counsel appearing for the respondents/claimants also has no objection. Therefore, without going into the merit of the matter, this Court is inclined to confirm only the award, in view of the submissions made by the learned counsel for the appellant/Insurance Company as well as the respondents/claimants. Accordingly, the award passed by the Motor Accident Claims Tribunal (I Additional District Judge), Madurai in M.C.O.P.Nos.1068 and 1069 of 2010, dated 21.03.2017 is confirmed and the Civil Miscellaneous Appeals are dismissed.

7. In view of the dismissal of these appeals, the appellant/Insurance Company is directed to deposit the entire award amount with accrued interest and costs, to the credit of the claim petitions, within a period of eight weeks from the date of receipt of a copy of this judgment, if not deposited already. On such deposit, the Tribunal is directed to transfer the said amount directly to the Personal Savings Account Number of the claimants by way of RTGS/NEFT system, after getting their Account Details, within a period of three weeks thereafter. In case, if the amount is already deposited, the Tribunal is directed to transfer the entire amount to the claimants account by way of RTGS/NEFT within a period of three weeks from the date of receipt of a copy of this judgment. No costs. Consequently, the connected Miscellaneous Petitions are closed.

Sd/-

Assistant Registrar ()

// True Copy //

/ /2020

Sub Assistant Registrar(CS)

akv

To

The Motor Accident Claims Tribunal
(I Additional District Judge),
Madurai.

Copy to

The Section Officer, VR Section,
Madurai Bench of Madras High Court, Madurai (2 copies)

+2 CC to Mr.S.SRINIVASA RAGHAVAN, Advocate ( SR-98223,98225[F] dated 14/11/2019 )

+2 CC to Mr.A.B.NATARAJAN, Advocate ( SR-98190[F] dated 14/11/2019 )

**C.M.A.(MD).Nos.414 and 415 of 2018**
**13.11.2019**

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