HC-KAR

IN THE HIGH COURT OF KARNATAKA AT BENGALURU

DATED THIS THE 23RD DAY OF APRIL, 2026

BEFORE

THE HON'BLE MRS. JUSTICE P SREE SUDHA

MISCELLANEOUS FIRST APPEAL NO. 1625 OF 2024 (MV-I)
C/W
MISCELLANEOUS FIRST APPEAL NO. 142 OF 2024 (MV-I)

IN MFA No. 1625/2024

BETWEEN:

SANJEEVA MARATHI,
AGED ABOUT 46 YEARS,
S/O MANJUNATHA MARATHI,
R/O H.NO.2-214B, DHARMASHRE
NILAYA, YELLURU, GOLIHOLE VILLAGE,
BYNDOOR, KUNDAPURA TALUK - 572 101.

...APPELLANT

(BY SRI. S. M. ANFAL, ADVOCTATE FOR
SRI. K PRASANNA SHETTY., ADVOCATE)

AND:

Digitally signed by PADMASHREE SHEKHAR DESAI
Location: High Court of Karnataka

1. KRISHNA MARATHI,
AGED ABOUT 52 YEARS,
S/O RAMA MARATHI,
R/O BELARAMMAKKI,
ARESHIROOR, GOLIHOLE VILLAGE,
BYNDOOR, KUNDAPURA TALUK - 572 101.

2. THE UNITED INDIA INSURANCE CO. LTD.,
REP BY ITS BRANCH MANAGER,
BRANCH OFFICE: KUNDAPURA,
SRI LAXMI NARASIMHA COMPLEX,
OPP. KSRTC DEPOT, NH-66,
VADERHOBLI, KUNDAPURA - 572 101.

…RESPONDENTS

(BY SRI. RAVISH BENNI., ADVOCATE FOR R2;
V/O DATED 30.10.2024, NOTICE TO R1 D/W)

THIS MFA IS FILED U/S 173(1) OF MV ACT AGAINST THE JUDGMENT AND AWARD DATED 13.09.2023 PASSED IN MVC NO.1007/2020 ON THE FILE OF THE SENIOR CIVIL JUDGE AND ADDITIONAL MACT, KUNDAPURA, PARTLY ALLOWING THE CLAIM PETITION FOR COMPENSATION AND SEEKING ENHANCEMENT OF COMPENSATION.

IN MFA NO. 142/2024

BETWEEN:

THE UNITED INDIA INSURANCE CO. LTD.,
KUNDAPURA BRANCH, SRI. LAXMI
NARASIMHA COMPLEX, N.H 66,
VADERHOBLI,
KUNDAPURA IS POLICY ISSUANCE OFFICE
UNITED INDIA INSURANCE CO., LTD.,
D.O, PB NO.78,

REP BY DIVISIONAL MANAGER,
DIVISIONAL OFFICE, JEWEL PLAZA,
Ist FLOOR, MARUTHI VEETHIKA UDUPI,
REP BY DIVISIONAL MANAGER,
PIN CODE - 576 101.

...APPELLANT

(BY SRI. RAVISH BENNI., ADVOCATE)

AND:

1. SANJEEVA MARATHI,
S/O MANJUNATHA MARATHI,
AGED ABOUT 46 YEARS,
R/O H NO.2-241B,
DHARMASHRE NILAYA, YELLURU,

GOLIHOLE VILLAGE,
BYNDOOR, KUNDAPURA TALUK,
PIN CODE - 576 214.

2. KRISHNA MARATHI,
S/O RAMA MARATHI,
AGED ABOUT 52 YEARS,
R/O BELARMAKKI, ARESHIROOR,
GOLIHOLE VILLAGE, BYNDOOR,
KUNDAPURA TALUK,
PIN CODE - 576 214.

...RESPONDENTS

(BY SRI. S. M. ANFAL., ADVOCATE FOR
SRI. K PRASANNA SHETTY., ADVOCATE FOR R1;
R2 SERVED)

THIS MFA IS FILED U/S 173(1) OF MV ACT AGAINST THE JUDGMENT AND AWARD DATED 13.09.2023 PASSED IN MVC NO.1007/2020 ON THE FILE OF THE SENIOR CIVIL JUDGE AND ADDITIONAL MACT, KUNDAPURA, AWARDING COMPENSATION OF RS.3,64,468/- WITH INTEREST AT 6 PERCENT P.A. FROM THE DATE OF PETITION, TILL THE DATE OF DEPOSIT.

THESE APPEALS, COMING ON FOR ADMISSION, THIS DAY, JUDGMENT WAS DELIVERED THEREIN AS UNDER:

CORAM: HON'BLE MRS. JUSTICE P SREE SUDHA

ORAL JUDGMENT

MFA NO.1625/2024 is filed by the petitioner/claimant for enhancement of the compensation and MFA No.142/2024 is filed by the Insurance Company under Section 173(1) of Motor Vehicles Act, 1988 challenging the judgment and award dated 13.09.2023 passed in MVC No.1007/2020 on the file of the Senior Civil Judge and Additional MACT, Kundapura.

2. Heard the arguments of learned counsel for both sides.

3. The petitioner/injured claimant met with an accident on 23.03.2020 and filed petition before the Tribunal for compensation of Rs.25,00,000/-. The Tribunal considering the entire evidence on record granted an amount of Rs.3,64,468/- with interest at the rate of 6% p.a., from the date of filing the petition till the date of deposit.

4. Being aggrieved by the said order, the claimant filed MFA No.1625/2024 for enhancement and the insurance company filed MFA No.142/2024, in which it was contended that respondent No.2, driver of the offending vehicle, did not have a valid and effective driving licence as on the date of accident. It was further stated that a charge sheet was filed against the driver under Section 3 (1) read with Section 181 of the Motor Vehicles Act. Therefore, requested this Court to permit the Insurance Company to issue notice to owner of the vehicle before release of the amount.

5. Learned counsel for the Insurance Company relied upon the judgment reported in ***(2004) 13 SCC 224 (Oriental Insurance Company Vs. Nanjappan and Ors.),*** Wherein it is stated as follows:

> "*Before release of the amount to the claimants, owner of the vehicle shall be issued a notice and he shall be required to furnish security for the entire amount which the insurer will pay to*

the claimants. The offending vehicle shall be attached, as a part of the security"

6. For the same proposition, reliance was also placed on ***AIR 2004 SC 4882 (National Insurance Co. Ltd. Vs. Challa Upendra Rao and others***).

7. At the time of arguments, learned counsel for the claimant stated that it is for the insurance company to prove that the driver did not possess a valid driving licence. But the insurance company has not taken any steps in this regard and has simply relied upon the charge sheet filed under Sections 3(1) and 181 of the IMV Act. As such, it is not even entitled to the benefit of pay and recovery. In support of this contention, reliance was placed on the decisions of the Hon'ble Supreme Court in ***Pappu and Ors Vs. Vinod Kumar Lamba and Another***[1] **(Civil Appeal No.20962/2017)** and ***Rama Bai vs. M/s Amit Minerals, through Incharge Officer/Competent Officer & Others*** **(Civil Appeal No.9669/2024)** for the

[1] 2018 (3) SCC 208

said proposition. At this stage, learned counsel for the insurance company requested this Court to remand the matter to the Trial Court for adducing evidence from their side. In view of the same, this Court finds it just and reasonable to remand the matter to the Tribunal.

8. Accordingly, MFA No. 142/2024 is ***allowed*** and the matter is remanded to the Tribunal with a specific direction to provide reasonable opportunity to both sides for adducing evidence and for arguments and to dispose of the matter on merits on duly considering the entire evidence on record within two months from the date of the order.

MFA No.1625/2024 filed by the claimant for enhancement is closed.

The Registry is directed to send the records to the concerned Tribunal within 10 days.

Both parties are directed to appear before the Tribunal on ***03.06.2026*** without awaiting further notice.

The claimant is permitted to withdraw 50% of the compensation already deposited by the insurance company.

The amount deposited before this Court shall be transferred to the MACT.

Sd/-
(P SREE SUDHA)
JUDGE

TMP,AMA
List No.: 1 Sl No.: 47