IN THE HIGH COURT OF KARNATAKA AT BENGALURU

DATED THIS THE 25TH DAY OF APRIL, 2026

BEFORE

THE HON'BLE MR. JUSTICE VIJAYKUMAR A. PATIL

MISCELLANEOUS FIRST APPEAL NO.9597 OF 2018(MV-I)

C/W

MISCELLANEOUS FIRST APPEAL NO.9596 OF 2018(MV-I)

IN MFA No. 9597/2018

BETWEEN:

THE TATA AIG GENERAL
INSURANCE CO. LTD.,
2ND FLOOR, J. P & DEVI
JAMBUKESHWARA ARCADE,
NO.69, MILLERS ROAD,
BANGALORE - 560 052,
REP. BY ITS MANAGER.

...APPELLANT

Digitally signed by SHARADAVANI B
Location: High Court of Karnataka

(BY SRI. JANARDHAN REDDY., ADVOCATE)

AND:

1. LAGUMAPPA,
   S/O. MUNIYAPPA,
   AGED ABOUT 37 YEARS,
   R/AT B. CHANNACHANDRDAM,
   DOOR NO.1/01, HOSUR TALUK,
   KRISHNAGIRI DISTRICT,
   TAMIL NADU - 635 110.

2. M/S. AEGAN LOGISTICS,
NO.117, ASWIN COMPLEX,
HOSUR BLOCK,
OLD BENGALURU ROAD,
HOSUR, KRISHNAGIRI DISTRICT,
TAMIL NADU - 635 110.

(OWNER OF THE CANTER NO.KA-TN-70-Q-1318)

…RESPONDENTS

(BY MS.SUSHMITHA G., ADVOCATE FOR
SRI.N.GOPALKRISHNA, ADVOCATE FOR R1;
NOTICE TO R2 IS HELD SUFFICIENT VIDE ORDER
DATED 06.03.2026)

THIS MFA IS FILED U/S 173(1) OF MV ACT AGAINST THE JUDGMENT AND AWARD DATED 06/07/2018, PASSED IN MVC NO.2556/2016, ON THE FILE OF THE MEMBER, MACT, XVI ADDITIONAL JUDGE, COURT OF SMALL CAUSES, BENGALURU (SCCH-14), AWARDING COMPENSATION OF RS.2,76,300/- WITH INTEREST @ 9% P.A., FROM THE DATE OF PETITION TILL ITS REALIZATION.

IN MFA NO. 9596/2018

BETWEEN:

THE TATA AIG GENERAL INSURANCE CO. LTD.,
2ND FLOOR, JP & DEVI
JAMBUKESHWARA ARCADE,
NO.69, MILLERS ROAD,
BANGALORE - 560 052.
REPRESENTED BY ITS MANAGER.

...APPELLANT

(BY SRI. JANARDHAN REDDY., ADVOCATE)

AND:

1. M. VENKATESHAPPA,
   S/O LATE MALLAPPA NAIDU,
   AGED ABOUT 48 YEARS,
   R/AT B. CHANNACHANDRDAM,
   HOSUR TALUK,
   KRISHNAGIRI DISTRICT,
   TAMIL NADU - 635 110.

2. M/S. AEGAN LOGISTICS,
   NO.117, ASWIN COMPLEX,
   HOSUR BLOCK,
   OLD BANGALORE ROAD,
   HOSUR, KRISHNAGIRI DISTRICT,
   TAMIL NADU - 635 110.
   (OWSNER OF THE CANTER NO.KA-TN-70-Q-1318).

...RESPONDENTS

(BY MS.SUSHMITHA G., ADVOCATE FOR
SRI. GOPAL KRISHNA N., ADVOCATE FOR R1;
NOTICE TO R2 IS HELD SUFFICIENT VIDE ORDER
DATED 06.03.2026)

THIS MFA IS FILED U/S 173(1) OF MV ACT AGAINST THE JUDGMENT AND AWARD DATED 06.07.2018 PASSED IN MVC NO.2555/2016 ON THE FILE OF THE XVI ADDITIONAL JUDGE, COURT OF SMALL CAUSES, BENGALURU, AWARDING COMPENSATION OF RS.1,22,000/- WITH INTEREST @ 9% P.A. FROM THE DATE OF PETITION TILL REALIZATION.

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

CORAM: HON'BLE MR. JUSTICE VIJAYKUMAR A. PATIL

ORAL JUDGMENT

Though these appeals are listed for orders, with the consent of learned counsel for the parties, they are taken up for final disposal.

2. These appeals have been filed by the appellant-Insurance Company challenging the common judgment and award dated 06.07.2018 passed in MVC.No.2555/2016 & MVC No.2556/2016 by the M.A.C.T., Bengaluru City (SCCH-14) (for short, 'Tribunal').

3. Heard Sri. Janardhan Reddy, learned counsel for the appellant - Insurance Company and Ms. Sushmitha H., for Sri. Gopalakrishna N., learned counsel appearing for respondent No.1.

4. The contention of the appellant is that the driver of the canter vehicle bearing registration number TN-70-Q-1318 was not having a valid driving license to drive the Medium Goods Vehicles (for short, 'MGV'). He was having only a driving licence to drive Light Motor

Vehicles (transport). However, the Tribunal failed to consider the said aspect and directed the appellant-Insurance Company to pay the compensation amount by saddling the liability on it. The Tribunal ought to have saddled the liability on the owner of the vehicle by directing the Insurance Company to pay the compensation amount at the first instance and recover the same from the owner of the vehicle. It is submitted that the Tribunal without any justifiable reasons awarded 9% interest. Hence, he seeks to allow the appeals.

5. *Per contra*, Ms.Sushmitha H., for Sri. N.Gopalkrishna, learned counsel for respondent No.1 in both the appeals supports the impugned judgment and award.

6. The appellant - Insurance Company as well as the claimants are not in dispute that the claimants in both the cases have sustained grievous injuries in a road accident on 03.02.2016 and the said accident is caused

due to the actionable negligence on the part of the driver of the canter vehicle bearing registration No.TN-70-Q-1318. The material available on record indicates that the driver of the offending vehicle was not having a valid driving licence to drive MGV. Admittedly, he was having a driving licence to drive LMV (transport). Thus, the Tribunal ought to have saddled the liability on the owner of the vehicle by directing the Insurance Company to pay the compensation amount at the first instance and recover the same from the owner of the vehicle. The said view is supported by the decision of the Hon'ble Supreme Court in the case of ***Shamanna Vs. Oriental Insurance Company Limited***[1].

7. In view of the aforesaid enunciation of law, I am of the considered view that the impugned judgment and award of the Tribunal is required to be modified to the aforesaid extent.

---

[1] (2018) 9 SCC 650

8. The Tribunal without any special reasons awarded interest at the rate of 9% p.a. Taking note of the prevailing rate of interest awarded by the Nationalized Bank on the term deposits, I am of the considered view that the ends of justice would be met, if the interest of 6% is awarded on the compensation amount.

9. In the result, this Court proceeds to pass the following:

ORDER

a) The appeals are ***allowed in part***.

b) The impugned common judgment and award of the Tribunal dated 06.07.2018 passed in M.V.C.Nos.2555/2016 & 2556/2016 is ***modified*** by saddling the liability on respondent No.2 - owner of the vehicle by directing the appellant to pay the compensation amount and recover the same from the owner of the vehicle.

c) The compensation amount shall carry interest at the rate of 6% per annum from

the date of petition till the date of payment.

d) Amount in deposit, if any shall be transmitted back to the Tribunal, forthwith.

e) The appellant-Insurance Company shall deposit the entire compensation amount with accrued interest before the Tribunal within a period of six weeks from the date of receipt of certified copy of this judgment.

f) On such deposit, the compensation amount shall be released in favour of the claimants, on proper identification.

g) The appellant - Insurance Company is at liberty to recover the amount deposited by it from respondent No.2 in accordance with law.

h) Draw modified award accordingly.

Sd/-
(VIJAYKUMAR A. PATIL)
JUDGE

KA, List No.: 1 Sl No.: 5