NC: 2026:KHC:12374
MFA No. 7935 of 2024

HC-KAR

IN THE HIGH COURT OF KARNATAKA AT BENGALURU

DATED THIS THE 27TH DAY OF FEBRUARY, 2026

BEFORE

THE HON'BLE MRS. JUSTICE P SREE SUDHA

MISCELLANEOUS FIRST APPEAL NO. 7935 OF 2024 (MV-D)

BETWEEN:

HDFC ERGO GENERAL INSURANCE
COMPANY LIMITED,
REGIONAL OFFICE, NO.25/1,
2ND FLOOR, BUILDING NO.2,
SHANKARANARAYANA BUILDING,
M.G.ROAD, BENGALURU,
NOW AT NO.32, GROUND FLOOR,
A.C.R. TOWERS, RESIDENCY ROAD,
ASHOKNAGAR, BENGALURU - 560 023,
BY ITS DEPUTY MANAGER - L.

...APPELLANT

(BY SRI. LINGARAJ H S., ADVOCATE)

AND:

1. SMT. T S DIVYA,
NOW AGED ABOUT 25 YEARS,
W/O S.C.PRAKASH,
R/A SONAGANAHALLI POST,
GOWRIBIDANURU TALUK,
HOSUR HOBLI,
CHIKKABALLAPURA - 561 210.

2. SMT. BHAVYA T.S,
NOW AGED ABOUT 27 YEARS,
W/O SUNIL KUMAR,

R/A NO.84, BALAGERE,
RAMAPURA,
CHIKKABALLAPURA - 561 210.

3. SRI SIDDAGANGAIAH,
AGE AND FATHER'S NAME
NOT MENTIONED IN THE
CLAIM PETITION,
R/O A.VENKATAPURA,
KORATAGERE TALUK,
KORATAGERE, TUMKUR - 572 122.

...RESPONDENTS

(BY SMT. CHANCHALA N D., ADVOCATE FOR R1 AND R2;
R3 SERVED)

THIS MFA IS FILED U/S 173(1) OF MV ACT AGAINST THE JUDGMENT AND AWARD DATED 6.08.2024 PASSED IN MVC NO.5335/2022 ON THE FILE OF THE XXII ADDITIONAL SMALL CAUSES JUDGE AND ACJM, MEMBER, MACT, COURT OF SMALL CAUSES, BENGALURU (SCCH-24), AWARDING COMPENSATION OF RS.9,21,002/- WITH INTEREST AT 6% P.A. FROM THE DATE OF PETITION TILL THE DATE OF DEPOSIT.

THIS APPEAL, COMING ON FOR FINAL HEARING, THIS DAY, JUDGMENT WAS DELIVERED THEREIN AS UNDER:

CORAM: HON'BLE MRS. JUSTICE P SREE SUDHA

ORAL JUDGMENT

This appeal is filed by the appellant/insurance company under Section 173(1) of Motor Vehicles Act, 1988 challenging the judgment and award dated

06.08.2024 passed in MVC No.5335/2022 on the file of the XXII Additional Small Causes Judge and ACJM, Member, MACT, Court of Small Causes, Bengaluru (SCCH-24).

2. Heard the arguments of learned counsel for the appellant/insurance company and learned counsel for the respondents. The ranks of the parties are retained as per Tribunal for the sake of convenience.

3. Brief facts of the case are that, one Thimmajamma, met with an accident on 31.08.2022 and died subsequently. Her daughters filed claim petition claiming compensation of Rs.30,00,000/-. The Tribunal considering the entire oral and documentary evidence on record granted an amount of Rs.9,21,002/- with interest at the rate of 6% per annum from the date of petition till the date of deposit and directed respondent No.2/insurance company to deposit the amount within two months from the date of award. Being aggrieved by the said order, the insurance company has preferred this appeal and mainly contended that the insurance policy

issued in respect of the offending vehicle was a “two-wheeler bundled policy”. Under the said policy, the risk towards third parties was covered for a period of five years from 02.07.2020 to 01.07.2025, whereas the own-damage risk was covered only for one year from 02.07.2020 to 01.07.2021. The deceased, Thimmajamma, met with an accident while she was travelling as a pillion rider. Being a pillion rider, she is a third party and on that basis, the Tribunal directed the insurer to pay the compensation. But the Tribunal failed to appreciate that the own-damage policy was valid only for one year and was not renewed by respondent No.1. Therefore, the insurer contends that it is not liable to pay the compensation. It is further submitted that the terms of the contract have to be interpreted as found in the policy document and no extra meaning could be given by the Courts. The insurer has also raised other objections in this regard.

4. In view of the above discussion, since the policy was a "two-wheeler bundled policy" and the accident occurred after the expiry of one year, the risk of the pillion rider was not covered under the policy. Learned counsel for the appellant/Insurance Company also relied upon the judgment in ***MFA No. 201123/2024*** dated ***25.10.2025***, between ***The Authorized Officer, Cholamandalam General Insurance Co. Ltd. vs. Sayamma and Others***, wherein it was held as follows:

> *"It is not in dispute that deceased was proceeding on the motorcycle as a pillion rider. It is also not in dispute that the said motorcycle was issued with insurance policy, which was two wheeler bundle policy and same is having package coverage valid from 28.10.2019 to 27.10.2020, whereas the accident in the case on hand occurred on 05.05.2022. The said motorcycle was having basic third party liability only and policy was covered from 28.10.2020 to 27.10.2024. Further, the policy was valid for five years. The comprehensive policy was valid for only one year. The accident was occurred after the completion of one year. That means to say, as on the date of accident, the policy coverage*

> *was only for the third party. Therefore, the insurance company is not liable to pay the compensation since deceased was traveling as a pillion rider."*

The Tribunal had directed respondent No.2 to deposit the compensation amount.

5. In view of the above discussion, respondent No.2/insurance company is exonerated from liability to pay the compensation and the claimants are at liberty to recover the same from the owner of the vehicle by due process of law. Accordingly, the appeal is ***allowed.***

6. Respondent No. 2/Insurance Company is hereby exonerated from paying the compensation.

7. The amount already deposited shall be refunded to them in accordance with law.

Sd/-
(P SREE SUDHA)
JUDGE

AMA/List No.: 1 Sl No.: 60