



**IN THE HIGH COURT OF KARNATAKA AT DHARWAD
DATED THIS THE 26TH DAY OF MARCH, 2026
BEFORE**

THE HON'BLE MR. JUSTICE RAVI V.HOSMANI

MISCELLANEOUS FIRST APPEAL NO.102208 OF 2014 (MV)

C/W

MISCELLANEOUS FIRST APPEAL NO.102209 OF 2014 (MV)

MISCELLANEOUS FIRST APPEAL NO.102210 OF 2014 (MV)

IN MFA NO. 102208/2014:

BETWEEN:

THE BRANCH MANAGER,
UNITED INDIA INSURANCE CO. LTD.,
MODI COMPLEX HOSPET ROAD SIRSI.
REPRESENTED THROUGH ITS DIVISIONAL OFFICE-2,
JOSHI BUILDING, LAMINGTON ROAD, HUBLI.
REPRESENTED BY ITS DIVISIONAL MANAGER.

...APPELLANT

(BY SRI NAGANGOUDA R. KUPPELUR, ADVOCATE)

AND:

1. SMT.SARASWATI @ KUNDABAI
W/O GOVIND KAMATH,
AGE: 66 YEARS, OCC: HOUSEHOLD WORK,
R/O: VIJAYANAGAR, SIRSI,
DIST: UTTARA KANNADA.
 2. SRI MADHUKESHWAR S/O MADHEV NAIK,
AGE: MAJOR, OCC: BUSINESS,
R/O: NEAR JODUKATTE, NITYANANDA MATH ROAD,
MARATIKOPPA, SIRSI, DIST: UTTARA KANNADA.
- ...RESPONDENTS

(BY SMT.V. VIDYA, ADVOCATE FOR
SRI K. RAGHAVENDRA RAO, ADVOCATE FOR R1;
NOTICE TO R2 IS SERVED)



NC: 2026:KHC-D:4709
MFA No. 102208 of 2014
C/W MFA No. 102209 of 2014
MFA No. 102210 of 2014

THIS MFA IS FILED UNDER SECTION 173(1) OF MOTOR VEHICLES ACT 1988, PRAYING TO CALL FOR THE RECORDS CONNECTED WITH THE MVC NO.124/2013 BY THE ADDL. MOTOR ACCIDENT CLAIMS TRIBUNAL, SIRSI, EXAMINE THE SAME AND SET ASIDE AWARD DATED 21.06.2014 IN THE INTEREST OF JUSTICE.

IN MFA NO. 102209/2014:

BETWEEN:

THE BRANCH MANAGER,
UNITED INDIA INSURANCE CO. LTD.,
MODI COMPLEX HOSPET ROAD SIRSI.
REPRESENTED THROUGH ITS DIVISIONAL OFFICE-2,
JOSHI BUILDING, LAMINGTON ROAD, HUBLI.
REPRESENTED BY ITS DIVISIONAL MANAGER.

...APPELLANT

(BY SRI NAGANGOUDA R. KUPPELUR, ADVOCATE)

AND:

1. SRI DURGADAS S/O MANJUNATH PAI,
AGE: 80 YEARS, OCC: BUSINESS,
R/O: VIJAYANAGAR, SIRSI, DIST: UTTARA KANNADA.

2. SRI MADHUKESHWAR S/O MADHEV NAIK,
AGE: MAJOR, OCC: BUSINESS,
R/O: NEAR JODUKATTE, NITYANANDA MATH ROAD,
MARATIKOPPA, SIRSI, DIST: UTTAR KANNADA.

...RESPONDENTS

(BY SMT.V. VIDYA IYER, ADVOCATE FOR
SRI K. RAGHAVENDRA RAO, ADVOCATE FOR R1;
NOTICE TO R2 IS SERVED)

THIS MFA IS FILED UNDER SECTION 173(1) OF MOTOR VEHICLES ACT 1988, PRAYING TO CALL FOR THE RECORDS CONNECTED WITH THE MVC NO.126/2013 BY THE ADDL. MOTOR ACCIDENT CLAIMS TRIBUNAL, SIRSI, EXAMINE THE SAME AND SET ASIDE AWARD DATED 21.06.2014 IN THE INTEREST OF JUSTICE.



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MFA No. 102208 of 2014
C/W MFA No. 102209 of 2014
MFA No. 102210 of 2014

IN MFA NO. 102210/2014:

BETWEEN:

THE BRANCH MANAGER,
UNITED INDIA INSURANCE CO. LTD.,
MODI COMPLEX HOSPET ROAD SIRSI.
REPRESENTED THROUGH ITS DIVISIONAL OFFICE-2,
JOSHI BUILDING, LAMINGTON ROAD, HUBLI.
REPRESENTED BY ITS DIVISIONAL MANAGER.

...APPELLANT

(BY SRI NR KUPPELUR, ADVOCATE)

AND:

1. SRI GOVIND S/O KRISHNA KAMATH,
AGE: 81 YEARS, OCC: BUSINESS,
R/O: VIJAYANAGAR, SIRSI, DIST: UTTARA KANNADA.
2. SRI MADHUKESHWAR S/O MADHEV NAIK,
AGE: MAJOR, OCC: BUSINESS,
R/O: NEAR JODUKATTE, NITYANANDA MATH ROAD,
MARATIKOPPA, SIRSI, DIST: UTTARA KANNADA.

...RESPONDENTS

(BY SMT.V. VIDYA IYER, ADVOCATE FOR
SRI K. RAGHAVENDRA RAO, ADVOCATE FOR R1;
NOTICE TO R2 IS SERVED)

THIS MFA IS FILED UNDER SECTION 173(1) OF
MOTOR VEHICLES ACT 1988, PRAYING TO CALL FOR THE
RECORDS CONNECTED WITH THE MVC NO.129/2013 BY
THE ADDL. MOTOR ACCIDENT CLAIMS TRIBUNAL, SIRSI,
EXAMINE THE SAME AND SET ASIDE AWARD DATED
21.06.2014 IN THE INTEREST OF JUSTICE.

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

CORAM: THE HON'BLE MR. JUSTICE RAVI V.HOSMANI



ORAL JUDGMENT

Challenging common judgment and award dated 21.06.2014 passed by Additional MACT, Sirsi, in MVC nos.124, 126 and 129 of 2013, these appeals are filed.

2. Sri NR Kuppelur, learned counsel for appellant submitted that appeal was by insurer challenging finding of Tribunal on liability. It was submitted that as per claimants on 23.12.2012, at 03.00 p.m., they were travelling as inmates in Maruti Omni bearing no.KA-02/M-4862 from Sirsi to Siddapur, when it collided with Bus no.KA-31/F-1086 due to rash and negligent driving of driver of bus. In said accident, they sustained grievous injuries and despite treatment, did not recover and having sustained loss of earning capacity, filed claim petitions against owner and insurer of their vehicle.

3. Despite service of notice, owner did not appear and was placed ex-parte. Insurer opposed claim petitions on ground that claimants were inmates of insured vehicle, but policy subscribed was an 'Act Liability Only Policy' which did not cover risk of inmates. Ignoring said contention, Tribunal assessed compensation and awarded Rs.1,42,000/- in MVC no.124/2013,



Rs.70,000/- in MVC no.126/2013 and Rs.25,000/- in MVC no.129/2013 with interest. Aggrieved, present appeals were filed.

4. Smt.V. Vidya, Advocate for Sri.K. Raghavendra Rao, learned counsel for respondent no.1 opposed appeals.

5. Heard learned counsel for parties, perused impugned judgment, award and record.

6. From above, only point that arises for consideration is:

"Whether finding of Tribunal on liability of insurer calls for modification?"

7. There is no dispute about occurrence of accident due to rash and negligent driving of insured vehicle by its driver, coverage of insurance as on date of accident and claimants being entitled for compensation. Only question is about liability.

8. It is seen, insurer produced copy of insurance policy as Ex.R2. A perusal would indicate that it is 'Act Liability Only Policy'. However, schedule of premium would indicate that



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insurer collected additional premium for coverage of risk for four unnamed passengers upto a sum of Rs.1,00,000/- each and Rs.2,00,000/- towards coverage of risk of owner/driver. Collection of said premium apart from basic third party premium, would render it a package policy wherein coverage of risk of inmates would be contractual subject to ceiling limit on risk at Rs.1,00,000/-. Award passed in MVCs no.126/2013 and 129/2013 are below Rs.1,00,000/-. Only award in MVC no.124/2013 is more than Rs.1,00,000/-. Consequently, point for consideration is answered in affirmative only in MVC no.124/2013 and negative in MVCs no.126/2013 and 129/2013.

9. In view of above, following:

ORDER

(i) MFA No.102208/2014 is ***allowed in part.***

Judgment and award dated 21.06.2014 passed by Additional MACT, Sirsi in MVC no.124/2013, is modified.



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- (ii) Insurer is held liable to pay compensation only to extent of Rs.1,00,000/- with interest thereon to claimant in MVC no.124/2013.
- (iii) Claimant would be at liberty to recover remaining amount from owner of vehicle.
- (iv) MFA nos.102209/2014 and 102210/2014 are ***dismissed.***
- (v) Amounts in deposit in all appeals are ordered to be transmitted to Tribunal for payment.
- (vi) Balance amount to extent of liability is ordered to be deposited before Tribunal within six (6) weeks.
- (vii) On deposit, Tribunal is directed to release said amount in favour of respective claimants.

Sd/-
(RAVI V.HOSMANI)
JUDGE