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A. SRIDHAR

v.

UNITED INDIA INSURANCE CO. LTD. & ANR.  
(Civil Appeal No. 7823 of 2011)

B

SEPTEMBER 13, 2011

[G.S. SINGHVI AND H.L. DATTU, JJ.]

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*Motor Vehicles Act, 1988 – ss.166 and 140 – No fault liability – Appellant while riding the motor cycle met with an accident due to oil spill on road and suffered grievous injuries – Claim petition – Award of compensation of Rs. 1,60,000/- with 6% interest p.a. under the Insurance Policy by the Tribunal, reduced by High Court to Rs. 25,000/- u/s. 140 of the Act – Justification of – Held: Justified – The tribunal held that the appellant, while driving the motor vehicle on the fateful day, met with an accident not because of the fault of the owner of the vehicle or because of the fault of the other vehicle, but because of the oil spill on the road – Thus, negligence can be attributable only on the person who was driving the vehicle and thus, is not entitled to compensation under the Insurance Policy – High Court was justified in invoking the beneficial legislation and in directing the Insurance Company to pay limited amount by way of compensation to the injured person of an accident arising out of the use of a motor cycle on the basis of no fault liability – Legislation – Beneficial Legislation.*

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**The appellant filed a petition under Section 166 of the Motor Vehicles Act, 1988 claiming Rs. 6,00,000/- as general damages/compensation since he suffered grievous injuries when the motor cycle he was riding along with a pillion rider met with an accident due to oil spill on the road. The Tribunal awarded compensation of Rs. 1,60,000/- together with interest at 6% per annum under the Insurance Policy. The High Court reduced the**

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compensation awarded to Rs.25,000/- under Section 140  
of the Act. Thus, the appellant filed the instant appeal. A

Dismissing the appeal, the Court

HELD: From the evidence on record, the Tribunal  
held that the appellant, while driving the motor vehicle on  
the fateful day, met with an accident not because of the  
fault of the owner of the vehicle or because of the fault  
of the other vehicle, but because of the oil spill on the  
road. Therefore, the negligence can be attributable only  
on the person who was driving the vehicle and thus, is  
not entitled to compensation under the Insurance Policy.  
Therefore, the High Court was justified in invoking the  
beneficial legislation and in directing the Insurance  
Company to pay limited amount by way of compensation  
to the injured person of an accident arising out of the use  
of a motor cycle on the basis of "no fault liability," since  
the accident has arisen out of use of motor vehicle and  
has resulted in grievous injuries to the claimant. Thus,  
there is no legal infirmity in the judgment and order  
passed by the High Court. [Paras 7 and 8] [389-A-D] B  
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CIVIL APPELLATE JURISDICTION : Civil Appeal No.  
7823 of 2011 etc.

Vivek Sharma, P.B. Suresh, Temple Law Firm for the  
Appellant. F

K.L. Nandwani for the Respondents.

The Judgment of the Court was delivered by

H.L. DATTU, J. 1. Leave granted. G

2. This appeal is directed against the Judgment and Order  
passed by the High Court of Madras, Chennai in Civil  
Miscellaneous Appeal No. 1779 of 2002, wherein, the Court  
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A has allowed the appeal of the Insurance Company and reduced the compensation awarded by the Motor Accident Claims Tribunal, Chennai (for short, "the Tribunal") from Rs.1,60,000/- to Rs.25,000/- under Section 140 of the Motor Vehicles Act, 1988 (hereinafter referred to as, "the Act").

B 3. In the Claim Petition filed under Section 166 of the Act, the appellant has stated that on 14.01.1998, at about 7.10 PM, while he was riding the motor cycle along with a pillion rider, the vehicle met with an accident due to oil spill on the road and suffered grievous injuries. Since the vehicle is insured with the  
 C respondent-Insurance Company, he is entitled for compensation of Rs. 6,00,000/- (Rupees Six Lakhs) as general damages/compensation.

D 4. The Insurance Company has denied its liability. The Tribunal, while considering the claim of the appellant, has come to the conclusion that the accident did not take place due to rash and negligence driving of the claimant but due to oil spilling on the road. Accordingly, the Tribunal has assessed the compensation payable to the claimant at a sum of Rs.1,60,000/  
 E - together with interest at 6% per annum under the Insurance Policy.

F 5. In the appeal filed by the Insurance Company, the High Court, has taken exception to the order passed by the Tribunal and has come to the conclusion that the Tribunal is not justified in allowing the claim petition moved under Section 166 of the Act and ought to have determined the compensation payable under Section 140 of the Act. Accordingly, the High Court has modified the award and has reduced the compensation payable to Rs. 25,000/-.

G 6. Aggrieved by the Judgment and Order, the claimant is before us in this appeal.

H 7. We have heard the learned counsel for the parties and

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& ANR. [H.L. DATTU, J.]

perused the record. From the evidence on record, the Tribunal holds that the appellant, while driving the motor vehicle on the fateful day, met with an accident not because of the fault of the owner of the vehicle or because of the fault of the other vehicle, but because of the oil spill on the road. Therefore, the negligence can be attributable only on the person who was driving the vehicle and hence, is not entitled to compensation under the Insurance Policy. Therefore, the High Court was justified in invoking the beneficial legislation and in directing the Insurance Company to pay limited amount by way of compensation to the injured person of an accident arising out of the use of a motor cycle on the basis of "no fault liability," since the accident has arisen out of use of motor vehicle and has resulted in grievous injuries to the claimant.

8. In view of the above, we do not see any legal infirmity in the Judgment and Order passed by the High Court. The appeal is, accordingly, dismissed. Costs are made easy.

N.J.

Appeal dismissed.