

SHIVRAJ

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v.

RAJENDRA & ANR.

(Civil Appeal Nos. 8278-8279 of 2018)

SEPTEMBER 05, 2018

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[DIPAK MISRA, CJI AND A.M. KHANWILKAR, J.]

Motor Vehicles Act, 1988 – s.166 – Compensation – Appellant was travelling in a tractor when the driver of the tractor driving in a rash and negligent manner dashed the tractor against a big mud stone, consequent to which appellant sustained grievous injuries – Claim petition u/s.166 – Tribunal held that claim of appellant was covered by the insurance policy and awarded compensation of Rs.9,02,324/- payable jointly by the owner of the vehicle and the respondent no.2-insurer – However, High Court held that appellant travelling in tractor was in breach of insurance policy and absolved the insurer from the liability to pay compensation – On appeal, held: High Court rightly found in favour of insurer that the appellant travelled in the tractor as a passenger which was in breach of the policy condition, for the tractor was insured for agriculture purposes and not for carrying goods – Appellant travelled in the tractor as a passenger, even though the tractor could accommodate only one person namely the driver – Resultantly, insurer was not liable for the loss or injuries suffered by the appellant or to indemnify the owner of the tractor – However, in view of the consistent view taken by the Supreme Court in various judgments, insurer directed to pay the compensation amount determined by the Tribunal and affirmed by the High Court to the appellant with liberty to recover the same from the tractor owner.

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Disposing of the appeals, the Court

HELD: 1. The High Court rightly found in favour of respondent No.2 (insurer) that the appellant travelled in the tractor as a passenger which was in breach of the policy condition, for the tractor was insured for agriculture purposes and not for carrying goods. The evidence on record unambiguously pointed

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A out that neither the trailer was insured nor any trailer was attached
to the tractor. Thus, the appellant travelled in the tractor as a
passenger, even though the tractor could accommodate only one
person namely the driver. As a result, the respondent No.2
(insurer) was not liable for the loss or injuries suffered by the
appellant or to indemnify the owner of the tractor. That conclusion
B reached by the High Court is unexceptionable in the fact situation
of the instant case. However, in the facts of the instant case, the
High Court ought to have directed the Insurance Company to
pay the compensation amount to the claimant (appellant) with
liberty to recover the same from the tractor owner, in view of the
C consistent view taken in that regard by this Court.
[Paras 9 and 10] [654-A-D]

National Insurance Co. Ltd. v. Swarna Singh & Ors.
(2004) 3 SCC 297 : [2004] 1 SCR 180 ; *Mangla
D Ram v. Oriental Insurance Co. Ltd.* (2018) 5 SCC
656 ; *Rani & Ors. v. National Insurance Co. Ltd. &
Ors.* 2018 (9) SCALE 310 ; *Manuara Khatun and
Others v. Rajesh Kumar Singh And Others.* (2017) 4
SCC 796 – referred to.

2. As regards, the determination of compensation amount
E by the tribunal and as affirmed by the High Court, the tribunal
had taken into account all the relevant aspects and provided for
just and proper compensation amount for different heads as are
permissible. The High Court, therefore, was justified in not
disturbing the said conclusion of the tribunal. The view so taken
F by the High Court affirmed. [Para 11] [654-F-G]

Case Law Reference

[2004] 1 SCR 180	referred to	Para 10
(2018) 5 SCC 656	referred to	Para 10
G 2018 (9) SCALE 310	referred to	Para 10
(2017) 4 SCC 796	referred to	Para 10

CIVIL APPELLATE JURISDICTION : Civil Appeal
H Nos. 8278-8279 of 2018.

From the Judgment and Order dated 13.08.2015 of the High Court of Karnataka at Bengaluru in MFA No. 7662 of 2013 (MV) C/w MFA No. 9995 of 2013 (MV). A

Ms. Kanika, Mrs. S. Usha Reddy, Ashwin V. K., Ms. Rekha Chandra Sekhar, H. Chandra Sekhar, Advs. for the appearing parties.

The Judgment of the Court was delivered by B

A. M. KHANWILKAR, J. 1. These appeals are directed against the common judgment and order passed by the High Court of Karnataka at Bengaluru dated 13th August, 2015 in M.F.A. No.7662 of 2013 (MV) and M.F.A. No.9995 of 2013 (MV) whereby the High Court allowed the appeal preferred by respondent No.2 (insurer) and dismissed the appeal for enhancement of compensation preferred by the appellant (injured claimant). C

2. Briefly stated, on 23rd February, 2010 at about 8:30 a.m., the appellant was travelling in a tractor bearing Registration No.KA-15-T-2011 as a Coolie, on Bangalore Road, Survey No.266, Bangalore. The driver of the tractor was driving at a high speed, in a rash and negligent manner and dashed the tractor against a big mud stone, resulting in the tractor turning turtle and the appellant suffering grievous injuries. The appellant was immediately taken to North Side Hospital and Diagnostic Center, Bangalore, where he underwent medical treatment as an inpatient, from 23rd February, 2010 to 27th February, 2010. Later on, he was shifted to Bowring and Lady Curzon Hospital, Bangalore, as an inpatient from 27th February, 2010 to 7th May, 2010 and underwent 4 (four) different surgeries. According to the appellant, despite receiving best medical treatment, he suffered permanent physical disability to an extent of 59.4% both lower limbs, 18.9% towards Vertebra, Clavicle and Scapula and 80% towards urethral injury, which is about 67% to the whole body. The appellant was only 25 years of age at the time of the accident and was working as a coolie. On account of his permanent disability, the appellant has become incapable of working as a coolie and is thus denied of his income to the extent of Rs.6,000/- per month. D E F G

3. Resultantly, a claim petition was filed by the appellant before the III Additional Senior Civil Judge, Member, MACT, Bangalore, bearing M.V.C. No.3533/2010, under Section 166 of the Motor Vehicles Act, 1988, claiming compensation of Rs.15,00,000/- (Rupees Fifteen Lakh Only) for the injuries sustained by him in the accident. H

A 4. The appellant examined 4 witnesses in support of his claim and also produced Exhs. P1 to P24. The respondent examined RW1 Sagayaraj, Administrative Officer and produced Exhs. R1 and R2. After analysing the evidence produced by the parties, the tribunal proceeded to answer the three issues framed by it on the basis of the pleadings.

B 5. The tribunal held that the claimant was able to prove the facts that the accident occurred on 23rd February, 2010 at 8:30 a.m. while he was going in the stated tractor, due to rash and negligent driving of the driver of the tractor. The tribunal held that the appellant was travelling as a loader in the tractor and not as a gratuitous passenger. After C adverting to the Insurance Policy, the tribunal noticed that the same covered risk of 1+4. The tribunal held that the respondent No.2 admitted issuance of the Insurance Policy to the offending vehicle and its validity as on the date of the accident. The tribunal then proceeded to quantify D the compensation amount on the notional income of the appellant at Rs.150/- per day as a coolie and, keeping in mind the age of the appellant at the relevant time i.e. 25 years, applied multiplier of 18. The tribunal adjudged the permanent disability of the appellant to the extent of 60% to the whole body and on that basis, computed the loss of future E income of the appellant at Rs.5,83,000/-(Rupees Five Lakh Eighty Three Thousand Only). The tribunal arrived at the following calculation to be awarded as compensation to the appellant payable jointly by the owner of the vehicle and the insurer, along with interest at the rate of 8% per annum from the date of petition till the date of realization. The computation of compensation amount towards different heads arrived at by the tribunal is as follows:

F	Compensation Heads	Compensation amount
	1. Pain and agony	Rs. 85,000/-
	2. Medical expenses	Rs. 1,42,324/-
	3. Future medical expenses	Rs. 50,000/-
G	4. Loss of income during laid up period	Rs. 12,000/-
	5. Rest, Nourishment and attendant charges	Rs. 5,000/-
	6. Loss of future income	Rs. 5,83,000/-
	7. Conveyance	Rs. 5,000/-
	8. Loss of amenities & discomfort in life	Rs. 20,000/-
H	Total	Rs. 9,02,324/-

6. Feeling aggrieved by the said award, respondent No.2 (insurer) preferred an appeal being M.F.A. No.7662 of 2013 (MV) and the appellant preferred a separate appeal being M.F.A. No.9995 of 2013 (MV) for enhancement of the compensation amount. The High Court disposed of both these appeals by the impugned common judgment and order. The High Court broadly agreed with all other findings given by the tribunal but held that going by the stand taken by the appellant throughout the proceeding and the contemporaneous documents Exhs. P2 to P5, nowhere was it mentioned that the appellant was travelling in a trailer attached to the tractor. The evidence, however, is unambiguous that the appellant travelled in the tractor which was insured only for agriculture purposes and not for carrying goods. No additional insurance was taken in respect of the trailer rather presence of trailer is not shown or demonstrated in any of the documents and there was no evidence to demonstrate that the tractor was attached to a trailer. The tractor could accommodate only one person namely the driver of the tractor and none else.

7. On that finding, the High Court concluded that the appellant travelled in the tractor in breach of policy terms and conditions and therefore, the Insurance Company cannot be made liable to compensate the owner or the claimant. Accordingly, the appeal preferred by the respondent No.2 was allowed by the High Court and the insurer came to be absolved from the liability to pay compensation. While dealing with the appeal for enhancement of the compensation amount filed by the appellant, the High Court noted that the amount arrived at by the tribunal was just and proper and reckoned all the mandatory heads of compensation. As a result, it concluded that the appellant was not entitled for enhanced compensation.

8. The appellant has assailed the said common judgment and order of the High Court by these appeals. We have heard Ms. Kanika for the appellant and Ms. Rekha Chandra Sekhar for the respondent No.2 (insurer). Both the courts have accepted the case of the appellant that the motor accident occurred on 23rd February, 2010 at about 8:30 a.m. in which the appellant suffered grievous injuries due to the rash and negligent driving of the driver of tractor. Further, both courts have determined permanent disability of 60% to the whole body suffered by the appellant in the accident.

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A 9. The High Court, however, found in favour of respondent No.2
(insurer) that the appellant travelled in the tractor as a passenger which
was in breach of the policy condition, for the tractor was insured for
agriculture purposes and not for carrying goods. The evidence on record
unambiguously pointed out that neither was any trailer insured nor was
B any trailer attached to the tractor. Thus, it would follow that the
appellant travelled in the tractor as a passenger, even though the tractor
could accommodate only one person namely the driver. As a result, the
Insurance Company (respondent No.2) was not liable for the loss or
injuries suffered by the appellant or to indemnify the owner of the
tractor. That conclusion reached by the High Court, in our opinion, is
C unexceptionable in the fact situation of the present case.

10. At the same time, however, in the facts of the present case
the High Court ought to have directed the Insurance Company to pay
the compensation amount to the claimant (appellant) with liberty to
recover the same from the tractor owner, in view of the consistent view
D taken in that regard by this Court in *National Insurance Co. Ltd. Vs.*
*Swarna Singh & Ors.*¹, *Mangla Ram Vs. Oriental Insurance Co.*
*Ltd.*², *Rani & Ors. Vs. National Insurance Co. Ltd. & Ors.*³ and
including *Manuara Khatun and Others Vs. Rajesh Kumar Singh And*
*Others.*⁴ In other words, the High Court should have partly allowed the
E appeal preferred by the respondent No.2. The appellant may, therefore,
succeed in getting relief of direction to respondent No.2 Insurance
Company to pay the compensation amount to the appellant with liberty
to recover the same from the tractor owner (respondent No.1).

11. Reverting to the issue regarding the determination of
F compensation amount by the tribunal and as affirmed by the High Court,
we find that the tribunal had taken into account all the relevant aspects
and provided for just and proper compensation amount for different heads
as are permissible. The High Court, therefore, was justified in not
disturbing the said conclusion of the tribunal. We affirm the view so
taken by the High Court. Accordingly, the appeal preferred by the
G appellant for enhancement of compensation amount does not warrant
interference.

¹(2004) 3 SCC 297

²(2018) 5 SCC 656

³2018 (9) SCALE 310

⁴(2017) 4 SCC 796

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12. We may place on record that the appellant did make an unsuccessful attempt to persuade us to take a view that the permanent disability should be reckoned as 67% to the whole body. However, after going through the evidence of the doctor who had treated the appellant and the medical records, we find that the assessment made by the tribunal about the extent of permanent disability at 60% to the whole body seems to be a possible view. We are not inclined to disturb the said finding and also because it has been justly affirmed by the High Court, being concurrent finding of fact. Accordingly, the claim of the appellant for enhancement of compensation amount does not merit interference.

13. In view of the above, the appeals are partly allowed to the extent of directing the respondent No.2 (Oriental Insurance Company Ltd.) to pay the compensation amount determined by the tribunal and affirmed by the High Court to the appellant in the first place and with liberty to recover the same from the owner of the offending tractor (respondent No.1) in accordance with law.

14. The appeals are disposed of in the aforementioned terms with no order as to costs.