

**(2005) 06 KAR CK 0073**

**In the Karnataka High Court**

**Case No :** Miscellaneous First Appeal No"s. 5541 and 5542 of 2003

The New India Assurance Co. Ltd.

APPELLANT

Vs

Padmavathi and Others

RESPONDENT

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**Date of Decision :** 29-06-2005

**Acts Referred:**

**Citation :** (2006) 1 KCCR 276

**Hon'ble Judges :** K. Sreedhar Rao, J

**Bench :** Single Bench

**Advocate :** K. Suryanarayana Rao, for the Appellant; B.M. Siddappa, for Respondents 1 and 2, for the Respondent

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## **Judgement**

K. Sreedhar Rao, J.—The two appeals pertain to MVC No. 296 of 1998 and MVC No. 435 of 1998. The Petitioners in the both the cases are injured. They have been granted compensation by the Tribunal and directed that the Appellant-insured (sic insurer) shall pay compensation.

2. The Appellant-insured (sic insurer) had taken up the plea before Tribunal that there is no coverage of insurance and sought for exoneration of the liability. The insurance policy is issued is marked at Ex.R.1. The policy is issued for one month from 4.8.1997 to 3.9.1997. The accident occurred on 2.12.1997. Therefore, on the date of accident there was no policy issued by the Appellant.

3. The Tribunal in para 36 of the judgment has held that issuance of policy for a period of one month, instead one year is bad and that the insurer has not offered any special reasons for issuance of such a policy.

4. The view taken by the Tribunal is bad in law. The Tariff Advisory Committee Regulations do permit issuance of policy for a period of one month and the premium shall be 25% of the annual rate. In this case, the policy issued for a period of one month is sound and proper and no special reasons need be given by the insurer for issue of such a policy. It is issued at the request of the insured. Therefore, the award made against the Appellant-insured (sic insurer) is set

aside. The compensation award shall be payable by the Respondents No. 2 and 3, who are owner and driver. The amount deposited by the Appellant at the time of filing of the appeal returned to the Appellant.