

**C.M.A.No.1565 of 2020**

**S.VAIDYANATHAN,J.,**

This Civil Miscellaneous Appeal is listed today under the caption “For Clarification” at the instance of Mr.S.Arunkumar, learned counsel for General Insurance Council (GIC).

2. Heard Mr.M.B.Raghavan, learned counsel appearing for Insurance Regulatory & Development Authority (IRDA) and Mr.Mr.N.Vijayaraghavan, learned counsel, for Mr.N.P.Vijayakumar, representing Society of Indian Automobile Manufacturers (in short 'SIAM'), (though SIAM is not a party to this Appeal). Upon hearing the submissions made on behalf Insurance Regulatory and Development Authority (IRDAI), General Insurance Council (GIC) representing the licensed General Insurance Companies and SIAM, as a non profit entity that has been espousing the cause of Automobile industry for several years, it would appear that the order dated 04.08.2021, mandating the coverage of bumper to bumper policy may not be logistically and economically feasible for effective implementation in the present legal dispensation. It was submitted that the directions issued by this Court in Paragraph Nos.12 and 13 of the orders dated 04.08.2021, have unintended impact, causing severe repercussions on the society and therefore, the directions issued by this Court

may be withdrawn in the interest of Policyholders, Automobile Industry and public at large. He also brought to the notice of this court that the issue of long term third party insurance coverage has been mandated by the Apex Court as early as in September, 2018, and the Regulating Body, viz., Insurance Regulatory and Development Authority (IRDAI) has been periodically monitoring over the changing scenario from time to time and hence, there is no need for issuance of such compulsory directions.

3. This Court also heard the submissions of Mr.M.B.Raghavan, learned counsel appearing for Insurance Regulatory & Development Authority (IRDA) and Mr.S.Arunkumar, learned counsel for GIC, on the points urged by Mr.N.Vijayaraghavan, learned counsel for SIAM, who all in one voice stated that the views expressed by this Court on 04.08.2021 in respect of protective coverage to uninsured innocent victims, such as gratuitous occupants in a private car and pillion riders, will be duly taken care in consultation with IRDAI to safeguard the interest of innocent victims, which is the anxiety of the Court.

4. Mr.M.B.Raghavan, learned counsel appearing for IRDA has submitted that IRDAI will consider better and fuller insurance coverage to all unfortunate victims, be it Drivers, Owners or gratuitous occupants or pillion riders, as the

case may be and prayed for suitable modification / withdrawal of the directions issued by this Court on 04.08.2021.

5. Considering the overall submissions made by the Parties, including Mr.N.Vijayaraghavan, learned counsel for SIAM and taking into account the concern of the IRDAI, this Court feels that the direction issued by this Court on 04.08.2021 in Paragraphs No.13 may not be conducive and suitable for implementation in the current situation. Therefore, the said direction in Paragraph No.13 is hereby withdrawn for the present. This Court hope and trust that law makers will look into this aspect and examine the need for suitable amendment in the Act, relating to wide coverage of vehicles so as to protect the innocent victims. In view of withdrawal of the direction regarding bumper to bumper policy, the Circular dated 31.08.2021 issued by the Joint Transport Commissioner, Chennai also stands cancelled.

6. Registry is directed to remove Paragraph No.13 from the earlier order of this Court dated 04.08.2021 and issue a fresh copy of the order to the parties concerned.

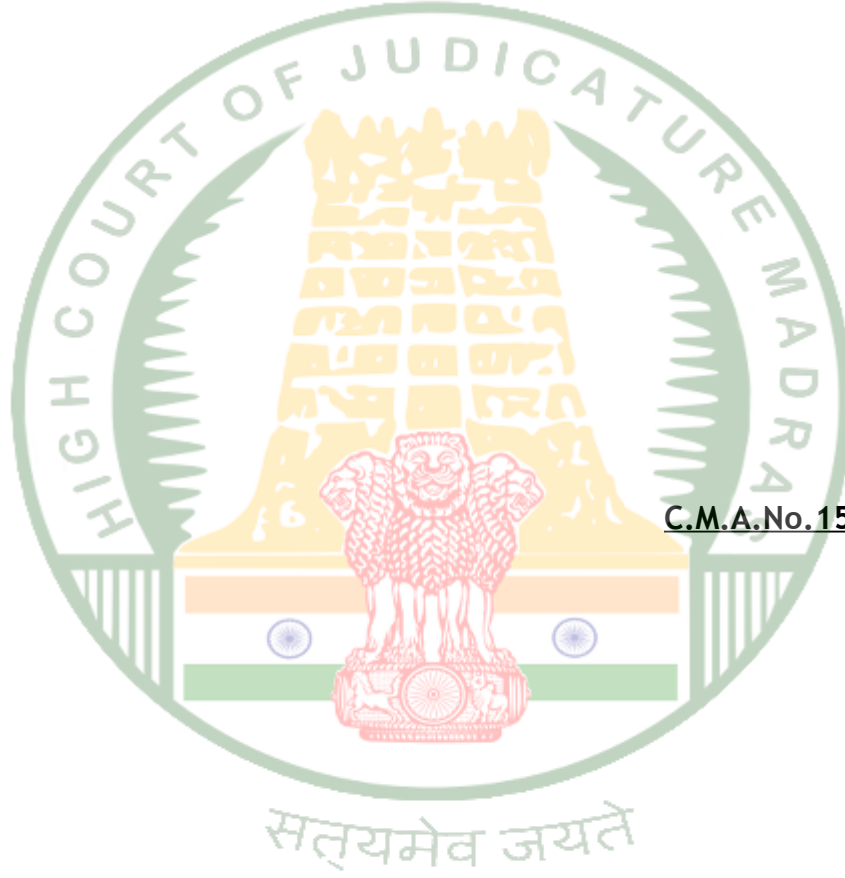
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**Note: Issue order copy on 14.09.2021**

13.09.2021

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