

**THE HONOURABLE SRI JUSTICE RAVI NATH TILHARI
THE HONOURABLE SRI JUSTICE CHALLA GUNARANJAN**

+ WRIT PETITION No.18839 of 2025

% Dated: 09 .10.2025

Dr.Mudunuri Ravi KiranPetitioner

and

The District Consumer Dispute Redressal
Commission, Guntur and 4 others.

.....Respondents

! Counsel for the Appellants : Sri K.Sarvabhouna Rao

^ Counsel for the Respondents : --

< GIST :

> HEAD NOTE :

? Cases referred :

1. 2003 (3) CPR 20
2. (2022) 17 SCC 286
3. (2010) 7 SCC 417
4. 2025 SCC OnLine 1015
5. (2013) 7 SCC 62

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DATE OF ORDER PRONOUNCED: 09.10.2025

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| 1. Whether Reporters of Local newspapers
may be allowed to see the Judgments? | Yes/No |
| 2. Whether the copies of judgment may be
Marked to Law Reporters/Journals. | Yes/No |
| 3. Whether Their Lordship wishes
to see the fair copy of the Judgment? | Yes/No |

RAVI NATH TILHARI, J

CHALLA GUNARANJAN, J



THURSDAY, THE NINTH DAY OF OCTOBER
TWO THOUSAND AND TWENTY FIVE

PRESENT

THE HONOURABLE SRI JUSTICE RAVI NATH TILHARI

THE HONOURABLE SRI JUSTICE CHALLA GUNARANJAN

WRIT PETITION NO: 18839 OF 2025

Between:

1. Dr Mudunuri Ravi Kiran,, aged 48 years, Chief Operational Officer, Yashoda Hospitals, Hi-Tech City, Kothaguda, Hyderabad, Ranga Reddy District

...Petitioner

AND

1. The District Consumer Dispute Redressal Commission, Guntur, Guntur District

2. Chekuri Lakshmi Narayana, S/o Venkayya, aged 63 years, R/o Kondramutia post, Ipuru Mandal, Guntur District.

3. The New India Assurance Company Limited, , Represented by its Senior Divisional Manager 6-3-862/A/B, 2ndfloor, Lai Bungalow, Greenlands, Ameerpet, Hyderabad.

4. Dr G Raghavendra Rao, Managing Director, Yashoda Group of Hospitals, Rajbhavan Road, Somajiguda, Hyderabad, Ranga Reddy District, Telangana.

5. Dr Surendra Rao, Managing Director, Yashoda Group of Hospitals, Rajbhavan Road, Somajiguda, Hyderabad, Ranga Reddy District, Telangana.

...Respondents

Counsel for the Petitioner: K SARVA BHOUMA RAO

Counsel for the Respondents: --

ORDER: *(per Hon'ble Sri Justice Ravi Nath Tilhari)*

This Writ Petition under Article 226 of the Constitution of India has been filed by the petitioner, to set aside or quash the order dated 07.03.2024 of the District Consumer Disputes Redressal Commission at Guntur (in short the 'District Forum') in M.A.No.487 of 2023 in C.C.No.112 of 2023 as also the order of the A.P.State Consumer Disputes Redressal Commission, Vijayawada (in short 'the State Commission) in R.P.No.26 of 2024 dated 31.12.2024 with further direction to the District Forum, Guntur, to implead the 3rd respondent herein i.e. the New India Assurance Company Limited, #6-3-862/A/B; II Floor, Lal Bungalow, Green Lands, Ameerpet, Hyderabad(in short the 'Insurance Company'), as Opposite Party No.4 in C.C.No.112 of 2023, by allowing M.A.No.487 of 2023.

2. Heard Sri K.Sarvabhuma Rao, learned counsel for the petitioner, appearing through virtual mode.

I. Facts:

3. The 2nd respondent herein, Chekuri Lakshmi Narayana, is the complainant in C.C.No.112 of 2023 filed before the District Forum, claiming compensation/damages against the petitioner and the respondents 4 and 5, alleging medical negligence.

4. In the said C.C, the petitioner filed M.A.No.487 of 2023 under Order I Rule 10 C.P.C to implead the Insurance Company, the 3rd respondent, as the 4th Opposite Party in C.C.

5. In the affidavit filed in support of the M.A.No.487 of 2023 *inter alia* it was submitted that the Doctors of the Opposite Party No.3 Hospital were not negligent and there was no deficiency in service. So, there was no liability to pay any compensation. It was pleaded that the said Opposite Party No.3 was insured under professional indemnity medical establishment policy. So, the New India Assurance Company Limited, was proper and necessary party to the complaint, but the complainant did not implead the insurance company.

6. The complainant, 2nd respondent herein, filed counter-affidavit and prayed to dismiss M.A.No.487 of 2023.

7. The District Forum, by order dated 07.03.2024, dismissed M.A.No.487 of 2023. It was held that the complainant was not having any privity of contract with the insurance company. The complainant was neither consumer nor beneficiary of the insurance company. It was also observed that in case the liability was fixed on the petitioner herein, he was at liberty to seek relief from the insurance company under the insurance of professional indemnity.

8. The petitioner filed Diary No.5271/NCDRC/2025-RP. It was rejected by the National Commission, by order dated 06.03.2025, holding that the revision was not maintainable.

9. Challenging the aforesaid orders dated 06.03.2025 and 07.03.2024, the present writ petition has been filed.

II. Submissions of the counsel for the petitioner:

10. Learned counsel for the petitioner submitted that the insurance company is atleast a proper party, and that the application for impleadment of the insurance company should have been allowed. This will avoid the multiplicity of the litigation otherwise the Doctor will have to file a separate case against the insurance company.

11. Learned counsel for the petitioner placed reliance in the orders of the National Commission in ***Dr.C.C.Choubal v. Pankaj Srivastava***¹, decided on 29.05.2003 and ***Amar Jain Hospital & 3 others v. Devkinandan Soni and another, dated 15.10.2015***, in which while allowing the appeal, the National Commission directed that the insurance company be impleaded as one of the parties.

12. Learned counsel for the petitioner gave an example of the compensation cases under the Motor Vehicles Act, 1988 arising out of accident. He submitted that there, insurance company is impleaded, as a necessary party or as a proper party and so, applying the said principle, in the case of medical negligence also, the insurance company must have been impleaded by the complainant atleast as a proper party.

13. We have heard the submissions of the learned counsel for the petitioner and perused the material on record.

III. Points for determination:

14. Points that arise for our consideration and determination are :

¹ 2003 (3) CPR 20

(A) Whether the New India Assurance Company Limited is a necessary or proper party to a claim for compensation filed before the Andhra Pradesh State Consumer Disputes Redressal Commission, Vijayawada, for medical negligence, on the ground that there exists a privity of contract between the writ petitioner (doctor) and the insurance company?

(B) Whether the impugned order dated 07.03.2024, whereby the writ petitioner's M.A. No.487 of 2023 in C.C. No.112 of 2023 seeking to implead the insurance company was rejected, is sustainable in law or warrants interference?

IV. Analysis:

Point A:

15. Order I Rule 10 C.P.C. reads as under:

"10. Suit in name of wrong plaintiff.

(1) Where a suit has been instituted in the name of the wrong person as plaintiff or where it is doubtful whether it has been instituted in the name of the right plaintiff, the Court may at any stage of the suit, if satisfied that the suit has been instituted through a bona fide mistake, and that it is necessary for the determination of the real matter in dispute so to do, order any other person to be substituted or added as plaintiff upon such terms as the Court thinks just.

(2) Court may strike out or add parties- The Court may at any stage of the proceedings, either upon or without the application of either party, and on such terms as may appear to the Court to be just, order that the name of any party improperly joined, whether as plaintiff or defendant, be struck out, and that the name, of any person who ought to have been joined, whether as plaintiff or defendant, or whose

presence before the Court may be necessary in order to enable the Court effectually and completely to adjudicate upon and settle all the questions involved in the suit, be added.

(3) *No person shall be added as a plaintiff suing without a next friend or as the next friend of a plaintiff under any disability without his consent.*

(4) *Where defendant added, plaint to be amended—Where a defendant is added, the plaint shall, unless the Court otherwise directs, be amended in such manner as may be necessary, and amended copies of the summons and of the plaint shall be served on the new defendant and, if the Court thinks fit, on the original defendant.”*

16. It is well settled in law that the plaintiff is *dominus litis*. He has to choose his opponent. The plaintiffs cannot be compelled to implead a person as party unless such person is a necessary or a proper party. Such right as *dominus litis* is subject to the orders of the Court to implead a necessary or proper party.

17. In ***Sudhamayee Pattanik and Others V. Bibhu Prasad Sahoo and Others***², the Hon'ble Apex Court held as under in paragraph No.9 :

“9. As per the settled position of law, the plaintiffs are the dominus litis. Unless the court suo motu directs to join any other person not party to the suit for effective decree and/or for proper adjudication as per Order 1 Rule 10 CPC, nobody can be permitted to be impleaded as the defendants against the wish of the plaintiffs. Not impleading any other person as the defendants against the wish of the plaintiffs shall be at the risk of the plaintiffs. Therefore, subsequent purchasers could not have been impleaded as party defendants in the

² (2022) 17 SCC 286

application submitted by the original defendants, that too against the wish of the plaintiffs.”

18. In ***Mumbai International Airport Private Limited V. Regency Convention Centre and Hotels Private Limited and Others***³ (2010) 7 SCC 417, the Hon'ble Apex Court held as to who is a necessary or/and proper party.

Paragraph No.15 reads as under :

“15. A “necessary party” is a person who ought to have been joined as a party and in whose absence no effective decree could be passed at all by the court. If a “necessary party” is not impleaded, the suit itself is liable to be dismissed. A “proper party” is a party who, though not a necessary party, is a person whose presence would enable the court to completely, effectively and adequately adjudicate upon all matters in dispute in the suit, though he need not be a person in favour of or against whom the decree is to be made. If a person is not found to be a proper or necessary party, the court has no jurisdiction to implead him, against the wishes of the plaintiff.”

19. The same principle was reiterated in ***J.N.Real Estate V. Shailendra Pradhan and Others***⁴, referring to ***Mumbai International Airport Private Limited*** (supra), in paragraph No.22 relevant part of which reads as under :

“22. This Court in Mumbai International Airport (P) Ltd. v. Regency Convention Centre & Hotels (P) Ltd., (2010) 7 SCC 417, explained the scope of Order I Rule 10(2) of the CPC..... While holding so, it was observed that although the general rule is that the plaintiff, being dominus litis, may choose the persons against whom he wishes to litigate and seek relief, yet

³ (2010) 7 SCC 417

⁴ 2025 SCC OnLine 1015

this rule of impleadment would be subject to the provisions of Order I Rule 10(2) wherein courts are vested with the discretion to strike out or add parties to a suit depending on whether their impleadment is deemed necessary or proper. It was held that, even in suits for specific performance, a court may, at any stage of the proceedings, implead a person who is found to be a necessary party or proper party.”

20. The insurance company, in the present case of medical negligence, is not a necessary party, because the insurance company is not a person in whose absence, any effective order cannot be passed or compensation cannot be awarded against the hospital or the doctors. In our view, the insurance company is also not a proper party as the presence of the insurance company would not to be required to enable the Court to completely, effectively or adequately adjudicate upon the matters in dispute before the Consumer District Forum. Reason is that, the issue before the District Forum, inter alia would be the negligence or no negligence on the part of the doctors or the deficiency of service. For such adjudication of such question, the presence of the insurance company is not required. Those can be adjudicated effectively even in the absence of the insurance company based on the evidence filed or to be filed in C.C. In case, the liability is fixed for compensation on the petitioner, the insurance company has to reimburse the petitioner subject to the insurance agreement between them, but the claimant/1st respondent has

nothing to do with such agreement. That does not make the insurance company a necessary or a proper party, in the dispute before the District Forum, between the petitioner and the claimant.

21. It is admitted by the petitioner's counsel that there is no privity of contract between the insurance company and the complainant. The complainant is not a party to the insurance agreement.

22. We have perused the orders of the National Commission cited before us, and we find that in none of those cases, it has been held that the insurance company is a necessary party. In fact, in ***Dr.C.C.Choubal***(supra), the National Commission observed that the insurance company may not be a necessary party but is a proper party. However, the reason given is that the claim against the Doctor would be covered if there is any medical negligence found against him so it would be appropriate if the insurance company is made as a co-respondent. We are of the view that, whether a party is a necessary or proper party is to be tested on the settled principles of law on the subject, under Order I Rule 10 C.P.C. We have already considered the same and are

not in agreement with the view taken in the cited judgments of the National Commission.

23. We are of the view that the insurance company is neither a necessary nor a proper party in the present case. The plaintiff/claimant is the *dominus litis* and against his wishes, the insurance company cannot be impleaded.

24. The contention of the petitioner's counsel is that under the Motor Vehicles Act, 1988 (in short "MV Act, 1988"), in the claim petitions filed for compensation either due to death or injury, the insurance company is made a party and so applying the same principle, in the cases of compensation for the medical negligence also, the insurance company would be necessary party or at least a proper party to be impleaded. The said contention deserves rejection.

25. To consider the aforesaid submission, we deem it proper to refer certain provisions, as illustrations from the MV Act, 1988.

26. Chapter-11 of the MV Act, 1988 deals with the insurance of motor vehicles against third party risks. Section 146 provides that "*No person shall use, except as a passenger, or cause or allow any other person to use, a motor vehicle in a public place, unless there is in force in relation to the use of the vehicle by that person*

or that other person, as the case may be, a policy of insurance complying with the requirements of this Chapter 11". So, under the Motor Vehicles Act against third party risks, there is necessity for insurance and the motor vehicle cannot be used in public place without a policy of insurance. Section 149 provides that the insurance company upon receiving information of the accident, either from the claimant or through the accident information report or otherwise, designate an officer to settle the claim relating to such accident. So, in the cases under the MV Act, the insurance company plays an active role to settle the claims relating to the accident. Section 149 also provides for duties of the insurers to satisfy judgments and awards against the persons insured in respect of third party risks, in respect of any such liability as is required to be covered by a policy. Further, Section 166 of the MV Act provides for an application for compensation before the Claims Tribunal. Rule 476 (5) of the Andhra Pradesh Motor Vehicle Rules 1989 provides for the application for claim and giving notice to the owner and insurer by the Claims Tribunal directing them to appear and if they fail to appear, to proceed *ex parte*. The insurer has the statutory defense which it may raise in a claim petition. Section 168 provides that while awarding the claim, the Claims Tribunal shall specify the amount which shall be

paid by the insurer or owner or driver of the vehicle involved in the accident or by all or any of them, as the case may be.

27. In ***S.Iyyapan V. United India Insurance Company Limited and Another***⁵, the Hon'ble Apex Court referring to Chapter-11 of the MV Act,1988, observed that the legislature has made it obligatory that no motor vehicle shall be used unless a third party insurance is in force. Relevant paragraph Nos.16 & 17 reads as under :

"16. The heading "Insurance of Motor Vehicles against Third-Party Risks" given in Chapter XI of the Motor Vehicles Act, 1988 (Chapter VIII of the 1939 Act) itself shows the intention of the legislature to make third-party insurance compulsory and to ensure that the victims of accident arising out of use of motor vehicles would be able to get compensation for the death or injuries suffered. The provision has been inserted in order to protect the persons travelling in vehicles or using the road from the risk attendant upon the user of the motor vehicles on the road. To overcome this ugly situation, the legislature has made it obligatory that no motor vehicle shall be used unless a third-party insurance is in force.

17. Reading the provisions of Sections 146 and 147 of the Motor Vehicles Act, it is evidently clear that in certain circumstances the insurer's right is safeguarded but in any event the insurer has to pay compensation when a valid certificate of insurance is issued notwithstanding the fact that the insurer may proceed against the insured for recovery of the amount. Under Section 149 of the Motor Vehicles Act, the insurer can defend the action inter alia on the grounds, namely,

- (i) the vehicle was not driven by a named person,*
- (ii) it was being driven by a person who was not having a duly granted licence, and*
- (iii) person driving the vehicle was disqualified to hold and obtain a driving licence.*

⁵ (2013) 7 SCC 62

Hence, in our considered opinion, the insurer cannot disown its liability on the ground that although the driver was holding a licence to drive a light motor vehicle but before driving light motor vehicle used as commercial vehicle, no endorsement to drive commercial vehicle was obtained in the driving licence. In any case, it is the statutory right of a third party to recover the amount of compensation so awarded from the insurer. It is for the insurer to proceed against the insured for recovery of the amount in the event there has been violation of any condition of the insurance policy.”

28. So, so far as the Motor Vehicles Act is concerned, the insurance company in such claim cases, becomes a necessary party to be impleaded. Any such comparison cannot be made for its impleadment in the cases for compensation before the District Forum due to medical negligence. Learned counsel for the petitioner has not been able to place before us any legal provision governing the field, like the statutory provisions under the Motor Vehicles Act .

V. Conclusion :

On Point “A” :

29. We hold that the insurance company is neither a necessary nor proper party in C.C.No.112 of 2023 claiming compensation for medical negligence against the petitioner. The claimant/1st respondent is *dominus litis* and cannot be compelled to implead the insurance company.

On point “B”,

30. We hold that the order dated 17.03.2024 passed by the District Forum rejecting M.A.No.487 of 2023 in C.C.No.112 of 2023, does not suffer from any illegality.

VI. Result :

31. The Writ Petition is devoid of merits and is dismissed. There shall be no order as to costs.

As a sequel, interlocutory applications pending if any, shall stand closed.

RAVI NATH TILHARI, J

CHALLA GUNARANJAN, J

Date: 09.10.2025

L.R.Copy to be marked.

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**THE HONOURABLE SRI JUSTICE RAVI NATH TILHARI
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