NAFR

HIGH COURT OF CHHATTISGARH, BILASPUR

MAC No. 588 of 2018

- United India Insurance Company Limited Through Its Divisional Manager, Divisional Office, 1st Floor Krishna Complex, Kutchery Chowk, Raipur, Tahsil And District Raipur, Chhattisgarh (Non-Applicant No.3), District : Raipur, Chhattisgarh

---- Appellant

Versus

1. Smt. Pancho Bai W/o Shri Hiralal Baghel Aged About 35 Years R/o Village Gotiyardih, P.S. And Tahsil Abhanpur, District Raipur, Chhattisgarh (Applicant), District : Raipur, Chhattisgarh

2. Pradeep Kumar S/o Shri Jahrividas R/o Nurani Chowk, Near Pandari Bus Stand, P.S. Civil Lines, Tahsil And District Raipur, Chhattisgarh (Driver/non-Applicant No.1), District : Raipur, Chhattisgarh

3. Branch Manager Bank Of Maharastra, Devendra Nagar, Raipur, District Raipur, Chhattisgarh (Non-Applicant No.2), District : Raipur, Chhattisgarh

---- Respondents

For Appellant	:	Shri Dashrath Gupta, Advocate
For Respondent 3	:	Dr. Saurabh Sharma, Advocate

Hon'ble Shri Justice Ram Prasanna Sharma
Order on Board

09/8/2018

1. This appeal is preferred under Section 173 of the Motor Vehicles Act, 1988 (for short, “the Act, 1988”) against the award dated 12.01.2018, passed by the IIIrd Motor Accidents Claims Tribunal (for short, “the Tribunal”), Raipur, District Raipur(CG) in Claim Case No. 455/2015, wherein the said Tribunal has awarded a sum of Rs.1,93,400/- to the claimant on account of injuries sustained by her in a motor accident on 25.11.2014.

2. The Tribunal has awarded the compensation against the appellant and at the same time ordered that the appellant is entitled to recover the

same from respondent No.3 who is Branch Manager of Bank of Maharashtra, Devendra Nagar, Raipur (CG).

3. Learned counsel for the appellant submits that the premium was paid through cheque and the cheque was dishonoured, therefore, there was no insurance contract between the appellant and the respondent Bank who is owner of the offending vehicle.

4. True it is that the cheque is dishonoured but the same was not communicated to the Bank as there is no evidence that any notice was received by the Bank sent by the appellant. The notice was served through post but no postal receipt was produced before the Tribunal to establish that the notice of dishonour of cheque was sent through postal department. Once the insurance policy is issued or the insurance certificate is issued, the Company is liable to pay the compensation according to the terms of the insurance contract. When the policy/insurance certificate was issued and no information regarding dishonour of cheque was received by respondent 3 and the insurance policy was effective, the Insurance Company was liable to pay the compensation. In view of this, the Tribunal is right in holding that the Insurance Company will first pay the award amount to the claimant and then recover from respondent No.3. The order passed by the Tribunal is based on settled principles of law and the same is not liable to the interfered with invoking jurisdiction of appeal.

5. Accordingly, the appeal is liable to be and is hereby dismissed at the motion stage itself.

Sd/

(Ram Prasanna Sharma)
Judge

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