IN THE HIGH COURT OF JUDICATURE AT BOMBAY
CIVIL APPELLATE JURISDICTION

FIRST APPEAL (ST.) NO. 3289 OF 2018
WITH
CIVIL APPLICATION NO. 1534 OF 2018
IN
FIRST APPEAL (ST.) NO. 3289 OF 2018

IFFCO Tokio General Insurance Co. Ltd. ....Appellant
V/s.
Vyankat Govind Nanaware (deceased) :
Fulabai Vyankat Nanaware and ors. ....Respondents

WITH
CIVIL APPLICATION (ST.) NO. 9641 OF 2019
IN
FIRST APPEAL (ST.) NO. 3289 OF 2018

Vyankat Govind Nanaware (deceased) :
Fulabai Vyankat Nanaware and ors. ....Applicants

In the matter between :-
IFFCO Tokio General Insurance Co. Ltd. ....Appellant
V/s.
Vyankat Govind Nanaware (deceased) :
Fulabai Vyankat Nanaware and ors. ....Respondents

Ms. Shalini Shankar for the applicant in CAF/1534/2018 and in FAST/3289/2018 and for the respondent in CAFST/9641/2019.
Ms. Kavita Anchan i/b. Mr. Vishal A. Dhande for respondent nos.1 and 2 and for the applicants in CAFST/9641/2019.

CORAM : SMT. ANUJA PRABHUDESSAI, J.
DATED : 16th OCTOBER, 2019

ORAL JUDGMENT :-

. With consent, the delay in filing the appeal is condoned and the appeal is heard finally at the stage of admission.

2. The appellant – insurance company has challenged the order dated 13/09/2017 whereby the learned Member, MACT, Mumbai has allowed the Claim Application No.1321 of 2015 filed by the respondent nos.1 and 2 / claimants and has awarded compensation of Rs.50,000/- under Section 140 of Motor Vehicles Act.

3. The respondent nos.1 and 2 had filed a claim petition under Section 166 along with an application under Section 140 of Motor Vehicles Act in view of the death of their son in a motor vehicular accident, involving a motor tempo bearing No.MH-03-AX-4319. The respondent nos.1 and 2 had claimed that the offending vehicle was insured with the appellant – insurance company.

4. The appellant – insurance company resisted the application mainly on the ground that the insurance policy no.82035166 was fake and had therefore disputed its liability to pay the compensation.

5. The Claims Tribunal, after considering the material on record held that the said defense cannot be considered at the interim stage and would be considered at the stage of final decision of the claim petition. The Tribunal directed the appellant – insurance company to

pay the interim compensation of Rs.50,000/-. Considering the defense raised by the appellant – insurance company, the respondents – claimants were permitted to withdraw the compensation on submitting a solvent surety.

6. At the outset, it may be mentioned that the object of section 140 of Motor Vehicles Act which is based on the principal of “no fault liability”, is to provide immediate financial help to the victims of the motor vehicular accident. In case of death, the victims are entitled for compensation of Rs.50,000/- whereas, in case of permanent disablement, the compensation payable under this section is Rs.25,000/-. It is to be noted that the compensation payable under section 140 of MV Act is in addition to the compensation payable under any other law in force or under the principle of 'fault liability'. Furthermore, the amount received under sub-section 2 of section 140 of MV Act is to be adjusted while paying compensation on the principle of 'fault liability'.

7. In the instant case, it is not in dispute that the death of Subhash Vyankar Nanaware was due to the injuries sustained in Motor Vehicle accident. The claimants had produced two policies. One of the policies

covers the date on which the accident had occurred. The appellant / insurance company had challenged the genuineness of the policy certificate. It has to be borne in mind that Section 140 of MV Act is a welfare legislation and such proceedings are to be decided in summary manner. Conducting detailed investigation or inquiry at this stage would defeat the very object of this provision.

8. Hence, this is not a stage at which the appellant / insurance company can be absolved of its liability. The defense raised by the insurance company will have to be considered and decided on merits while deciding the application under section 166 of the MV Act. Suffice it to say that if the insurance company ultimately succeeds in proving its defence and is exonerated of its liability of indemnifying the third party, the Tribunal can pass appropriate order at the stage of final award directing the owner to refund the amount alongwith interest thereon to the insurance company.

9. Under the circumstances and in view of the reasons stated above, the appeal is dismissed. Civil Application, if any does not survive in view of dismissal of the appeal.

(SMT. ANUJA PRABHUDESSAI, J.)