IN THE HIGH COURT OF ORISSA AT CUTTACK
MACA NO.914 of 2005
CNR No. ODHC010424222018
(An appeal Under Section-173(1) of M.V. Act, 1988).

Divisional Manager, Oriental Insurance Co. Ltd., Bhubaneswar … ***Appellant***

-versus-

Baistama Tudu @ Majhi & Others … ***Respondents***

For Appellant : ***Mr. G.P. Dutta, Advocate***

For Respondents : ***None***

CORAM: JUSTICE G. SATAPATHY

DATE OF HEARING & JUDGMENT: 04.11.2026 (ORAL)

G. Satapathy, J.

MACA NO.914 OF 2005 AND MISC.CASE NO.811 OF 2006

1. This judgment shall not only dispose of the Appeal on merit, but also MC No.811 of 2006 filed by the learned counsel for the appellant (insurer) U/S.5 of the Limitation Act, 1963 to condone the delay in preferring the appeal to challenge the impugned judgment dated 29.06.2005 passed by the learned 1st Motor Accident Claims Tribunal, Keonjhar in MAC Case No.285 of 1993 directing the insurer to pay a sum of Rs.50,000/- to the claimants-cum-R-1 & 2 within 45

days failing which the award shall carrying interest @ 9% per annum w.e.f the date of filing of the claim application till its actual realization.

2. The facts being largely undisputed are not reiterated in extenso to avoid prolixity, but reproduced in precise for disposal of this appeal which traces its origin to an accident which took place on 09.12.1983, when the son of the claimants was allegedly hit by the tractor and trolley bearing Regd. No. OR-09-1972 and OR-09-1974 respectively resulting in his death. An FIR being filed on this accident came to be registered with local Police Station paving the way for commencement of the investigation which culminated in submission of charge-sheet against the driver of the offending tractor for rash and negligent driving. Upon a claim being filed, the same was registered by the learned Tribunal in MAC No.285 of 1993 which ended in disposal with direction to the insurer to pay the compensation amount to the claimants indicated *supra.* Being aggrieved with the

impugned judgment, the insurer has preferred this appeal.

3. Heard, Mr. G.P. Dutta, learned counsel for the Appellant-Insurer, but none appears for R-1 & 2 despite duly noticed and having entered appearance through a counsel. On the other hand, notice issued against R-3 returned unserved earlier, but later on also returned on his death, however, R-3 being the owner of the offending vehicle and having appeared in the claim with a WS, but not contested it by leading any independent evidence, and no liability has been fixed on the owner-cum-R3 and therefore, re-issuance of notice against R-3 stands dispensed with.

4. Admittedly, the insurer has filed this Appeal with a delay of 43 days, but the grounds taken for condonation of delay is late processing of the file in the office of the insurer. The delay in this case is definitely of shorter duration and therefore, the expression "sufficient cause" must receive liberal construction. Further, what constitutes "sufficient cause" cannot be

laid down precisely by any hard and fast rule, but the ground for which delay has occurred in this case must be considered pragmatically. The law of limitation is of course based upon public policy that there should be an end to the litigation and even of the delay is condoned in this case, this appeal would be disposed of by this judgment. Besides, when substantial justice and technical consideration are pitted against each other, the cause of substantial justice deserves to be preferred. In the backdrop of aforesaid settled principles of law, when the case of the Appellant-Insurer is considered liberally for a delay of small duration, which cannot be said that the appellant-insurer was negligent or slack, rather it can be considered to have been prevented by "sufficient cause" in not preferring this Appeal in time. Hence, adopting a liberal, pragmatic and justice-oriented approach, the delay of 43 days in filing this Appeal by the insurer is hereby, condoned. According, Misc. Case No.811 of 2006 is disposed of.

5. After hearing the learned counsel for the Appellant-Insurer on Appeal, it appears that the main challenge of the insurance company is to the liability to pay the compensation amount to the claimants and according to the plea as advanced on behalf of the Appellant-Insurer, it is the consistent case of the claimants that the deceased died as a gratuitous passenger and thereby, the insurer is not liable to pay the compensation or indemnify the owner. Adverting to such contention, it needs to be emphasized here that the insurer has not at all led any evidence before the learned tribunal to substantiate its such claim nor has it taken any such plea therein. In absence of any plea or evidence, the plea as advanced by the insurer at the Appellate stage for the first time that the deceased was a gratuitous passenger, the same cannot be accepted in law and thereby, the challenge of the petitioner being unmerited stands rejected.

6. On coming to the issue of the quantum of compensation, this Court does not find any error

apparent on the face of impugned judgment so as to warrant interference in this Appeal qua the grant of compensation to the claimants, but the default interest as granted by the learned tribunal appears to be on higher side, however, the same is also not beneficial to the claimants, since it has been directed to be paid once the insurer fails to pay the compensation amount within 45 days of the date of impugned judgment, however, the insurance company has filed this appeal with some delay, but that has already been condoned and thereby, the rate of interest as imposed needs to be modified as well as the date of application required to be precisely stated inasmuch as the claimants would also suffer for non-receipt of interest on the award for around 33 years. In the sequence of events, this Court considers that interest of justice would be best served, if the interest is reduced to 6% per annum and the same be applicable w.e.f the date of filing of the claim application. It is already held that the quantum of compensation is not exorbitant nor is it challenged by

the claimants. In such view of the matter, the impugned judgment of the learned tribunal stands confirmed, but with modification of the interest as indicated *supra*.

7. In the result, the appeal stands dismissed. Consequently, the impugned judgment stands affirmed with modification of interest. Accordingly, the insurer is directed to pay the compensation amount together with simple interest @ 6% per annum w.e.f the date of filing of the claim application till its actual realization to the claimants within eight weeks hence. The statutory deposit together with the accrued interest thereon be refunded upon receipt of proof of deposit of compensation amount by the insurer before the learned tribunal.

(G. Satapathy)
Judge

Signature Not Verified
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Date: 05-Nov-2026 19:00:56

Orissa High Court, Cuttack,
Dated the 04th November, 2026/Jayakrushna