IN THE HIGH COURT OF JUDICATURE AT BOMBAY
CIVIL APPELLATE JURISDICTION

FIRST APPEAL NO. 829 OF 2025

Shriram General Insurance Co. Ltd ...Appellant
Versus
Bhagwandas Radhesham Gupta and Anr. ...Respondents

Mrs. Shalini Shankar, *for Appellant.*
Mr. Deepak Kilaje, *for Respondents.*

CORAM : R.M. JOSHI, J.
Date : January 29, 2026

PC :

1. By consent of both sides, heard finally at the stage of admission.

2. The insurer has filed this appeal under Section 173 of Motor Vehicles Act, 1988 takes exception to the judgment and award dated 3rd January, 2025 passed in M.A.C.A. No. 824 of 2015 ("***impugned judgment and award***") whereby injury claim came to be allowed by directing payment of compensation of Rs. 3,88,000/- with interest at the rate of 7% per annum.

3. The insurer takes exception to the said judgment on the ground that the Tribunal has committed error in not considering the evidence

laid by the insurer with regard to the non-payment of premium and dishonour of the cheque towards the premium in proper perspective. It is contended that there is evidence to indicate that as on the date of accident, i.e., 7th March, 2015, there was no premium paid. The judgment is also challenged on the ground that the Tribunal has erred in accepting the income of the injured on higher side so also the disability.

4. Learned counsel for the insurer submits that the insurer has taken specific plea in the written statement with regard to the non-payment of premium as a result of dishonour of the cheques issued towards the premium amount. It is her further submission that the insurer led evidence at Exhibit No. 57 to substantiate the said defence of the insurer before the Tribunal. It is submitted that the Tribunal has committed error in accepting the case of the claimant that on the basis of evidence that the agent of the insurer has accepted the premium in cash on 7th March, 2015. It is her contention that the said payment on the date of the accident would not be sufficient to fasten the liability of payment of compensation on the insurer. She also drew attention of the Court to the evidence on record which according to her indicates that the assessment of the disability to the extent of 44% is on the higher side and the same

has been done by ignoring the fact that there is admission given by the doctor regarding the nature and extent of healing of the fracture. On these among other contentions, the impugned judgment and award is sought to be set aside.

5. Learned Counsel for the claimant supported the impugned judgment and award.

6. No doubt, the insurer has taken a plea with regard to the dishonour of the cheque issued by the insured in respect of the policy in question. The evidence of the witness examined by the insurer, however, indicates that though the cheque was dishonoured, the agent of the insurer has accepted the premium in cash. It is necessary to note that mere fact of dishonour of the cheque would not become ground for denial of liability. It is always open for insurer to pay the amount of dishonoured cheque within statutory period under the Negotiable Instruments Act, 1881 in receipt of notice. In any case, when the amount of the premium is paid in cash, thereafter, there remains no reason to accept the case of the insurer with regard to exoneration from liability of payment of compensation. Learned Tribunal has rightly taken

into consideration the admissions given by the witness of the insurer to hold that the insurer is also liable to pay compensation as their existed a valid insurance policy in favour of the injured.

7. Insofar as the disability and the compensation granted by the Tribunal is concerned, apart from the oral evidence of claimant himself, he led evidence of Dr. Naresh Khanna, who assessed the permanent partial disability of the claimant to the extent of 44%. The Learned Tribunal having considered the nature of injuries accepted the said disability to the extent of 30% and granted compensation by using multiplier of Rs. 3,000/- per percentage of the disability. Having regard to the nature of injuries sustained by the claimant in the said accident and the consequential permanent partial disability, the amount of compensation awarded by the Tribunal is just and fair and warrants no interference.

8. In view of the above discussion, the Appeal stands ***dismissed***.

9. The statutory deposit amount, if any, be transferred to the Tribunal forthwith.

[R.M. JOSHI, J.]

Shraddha