



**IN THE HIGH COURT OF JUDICATURE AT BOMBAY
CIVIL APPELLATE JURISDICTION**

FIRST APPEAL (ST.) NO. 35338 OF 2012

The Oriental Insurance Co. Ltd.,)
7, J. J. Road, Mumbai-20.)Appellant

SAYYED Digitally
SAEED signed by
ALI SAYYED
AHMED ALI
ALI Date:
2026.04.23
13:38:15
+0530

Versus

1. Mast. Sandeep Sunder Kolhe,)
Through Next Friend)
Nivruti D. Koolhe)
R/a. Yadav Chawl No.2, Room No.6,)
Katkipada, Dahisar (E),)
Mumbai-400068.)
2. M/s. International Education Society,)
Megha, 2nd Floor, 9th Carter Road,)
Borivali (E), Mumbai-400066.)Respondents

**WITH
CIVIL APPLICATION NO. 1875 OF 2013
WITH
CIVIL APPLICATION NO. 1876 OF 2013
IN
FIRST APPEAL (ST.) NO. 35338 OF 2012**

The Oriental Insurance Co. Ltd.,)
7, J. J. Road, Mumbai-20.)Applicant/Appellant

Versus

1. Mast. Sandeep Sunder Kolhe,)
Through Next Friend)
Nivruti D. Koolhe)
R/a. Yadav Chawl No.2, Room No.6,)
Katkipada, Dahisar (E),)
Mumbai-400068.)
2. M/s. International Education Society,)
Megha, 2nd Floor, 9th Carter Road,)
Borivali (E), Mumbai-400066.)

3. Narayan Dhyani of Kanta Garage,)
Dattapada Road, Borivali (E),)
Mumbai-66.)Respondents
-

Mr. Devendranath S. Joshi (through V. C.) for the Appellants/Applicants.
None for the Respondents.

CORAM : JITENDRA JAIN, J.
DATED : 22nd APRIL 2026

JUDGMENT :

1. There is a delay in filing the appeal. For the reasons stated in the Civil Application, the delay is condoned.
2. **Admit.** By consent, taken up for final hearing.
3. This appeal is filed by the Insurance Company to challenge order dated 19th October, 2011 passed by the Motor Accident Claims Tribunal, Mumbai (Tribunal), whereby, Rs.74,422/- was awarded to the original applicant on account of accidental injuries sustained by him in a accident which took place on 19th October, 1996. This appeal for Rs.74,000/- had to wait for 15 years to come up for admission.
4. I have heard Mr. Joshi, learned counsel for the Insurance Company.
5. The primary contention of the Insurance Company is that the accident occurred on 19th October, 1996, whereas the policy had expired on 26th August, 1996. It is his submission that on the date when the accident occurred, the policy had lapsed and, therefore, no liability can be imposed upon the Insurance Company.

6. On the above contention, the Tribunal had framed issue no.2 which has been elaborately discussed in paragraphs 16 to 27 of the impugned order. The Tribunal has given a finding that the Insurance Company has failed to prove that the vehicle was not insured with them, but on the contrary, the evidence led by the Insurance Company and the Regional Transport Office (RTO), which was produced by the applicant shows that the vehicle was validly insured. I do not propose to reproduce paragraphs 16 to 27, but suffice to say that the Tribunal has considered each and every evidence before giving its finding that the Insurance Company has failed to prove the vehicle was not insured. Nothing has been produced before me to show that these findings of facts given by the Tribunal are contrary to the material on record. I agree with the reasoning in paragraphs 16 to 27 of the impugned order for rejecting the contention of the Insurance Company that the vehicle was not insured.

7. I, therefore, uphold the order of the Tribunal and dismiss the appeal filed by the Insurance Company.

8. Before parting, I wish to express my views on the forum of adjudication of the appeal filed to challenge the orders passed by the Tribunal. The appeal under the Motor Vehicles Act, 1988 from the order of the Tribunal lies to the High Court. The provisions relating to compensation to be paid under the Motor Vehicles Act, 1988 is to ensure that the claimants get their compensation when there is a need which results into injury or death. It is known fact that the claimants do not get the compensation immediately on the date of the accident, but have to file their claim before the Tribunal. Because of the huge pendency, the Tribunal takes atleast 5 to 7 years for disposing the original petition and even after disposing of the petition, the claimants do not see the colour of the compensation, since the orders passed by the Tribunal are subject to

challenge by filing an appeal to the High Court.

9. When the appeals are filed in the High Court, an interim application is made for withdrawing the amount which the Insurance Company deposits with the Tribunal. Generally, these applications are disposed of by permitting withdrawal of 50% of the amount. This is the first time when the claimants see the colour of the compensation after almost 7 to 8 years of the incident, by which time, the whole purpose of granting compensation gets frustrated. The huge pendency in the High Court results in these appeals being disposed of after at least 8 to 10 years from the date of filing. This again results into severe prejudice to the claimants. Most of the claims involved in these appeals filed in the High Court run into few lakhs only. Almost 97% of the appeals involve amounts less than Rs.10 lakhs. Similarly, 99% of the appeals under the Railways Act, 1989 are preferred by victims and the maximum amount of compensation is only Rs.8 lakhs.

10. In answer to starred question no. *263 raised in the Rajya Sabha on 17th March, 2026, it was stated by the Department of Financial Services under the Ministry of Finance that during the financial year 2024-25, 10,73,020 claims were pending before the Motor Accident Claims Tribunal involving whopping Rs.96,257/- crores. In my view, at least 30-40% of these claims, if not more, would be challenged in appeal which would be close to 5,00,000 involving at least 40,000 crores. These figures do justify setting up of a specialised Appellate Tribunal to deliver timely and speedy justice, which is the constitutional right of the claimants. Appeals from orders of the Appellate Forum should meet a very high standard for interference by the Superior Court.

11. In the State of Maharashtra itself, around 86,000 original petitions are pending before the Motor Accident Claims Tribunal as of April 2026 and

around 18,000 appeals are pending before the Bombay High Court, 12,500 appeals before the Andhra Pradesh High Court, 14,500 appeals before the Telangana High Court, 34,000 appeals before the Kerala High Court, etc. These figures do justify taking steps to constitute specialised Appellate Tribunal for speedy disposal, if not quick disposal. Similar figures with regard to appeals under the Railways Act, 1989 reinforces justification for setting up the Appellate Forum.

12. The Hon'ble Supreme Court also in the case of *Rasmita Biswal & Ors. vs. Divisional Manager, National Insurance Company Limited & Anr.*¹ had expressed similar views in paragraphs 18 and 19 which are reproduced herein :-

18. Before parting with the judgment, we may notice that a large number of claim petitions, under the provisions of the Motor Vehicles Act, 1988 are being filed before the various Claims Tribunal established thereunder throughout the country. Against the awards of the Tribunals, appeals are filed under Section 173 of the Motor Vehicles Act, 1988 before the relevant High Court, either by the claimants or by the insurers and owners of the offending vehicles. Large number of such appeals are pending before the various High Courts. Having regard to the above, we are of the view that in order to curtail the pendency before the High Courts and for speedy disposal of the appeals concerning payment of compensation to the victims of road accident, it would be just and proper to consider constituting "Motor Vehicle Appellate Tribunals" by amending Section 173 of the Motor Vehicles Act so that the appeals challenging the award of a tribunal could be filed before the Appellate Tribunal so constituted.

19. The various Benches of such an Appellate Tribunal could consist of two Senior District Judges. To ensure access to justice and to avoid pendency, it is also proper to consider setting up Benches of the Appellate Tribunal in various regional cities, in addition to the capital city of each State as may be indicated by the relevant High Court. For this purpose, appropriate rules governing the procedure of the Appellate Tribunal may also be framed. No further appeal against the order of the Appellate Tribunal need be

1 (2022) 2 SCC 767

provided. If any of the parties is aggrieved by the order of the Appellate Tribunal, he can always invoke the writ jurisdiction of the High Court concerned for appropriate reliefs. The Department of Justice, Ministry of Law and Justice, is requested to examine this matter.

(emphasis supplied)

However, I could not find any material to indicate any steps having been taken by the Union of India on above recommendation.

13. In view of above discussion, the Union of India should consider, keeping in mind the object for which the compensation under the Motor Vehicles Act, 1988 is granted, whether an alternate Appellate Forum can be constituted for challenging the orders of the Tribunal. Such Appellate Tribunal will be a specialized body and would be in a position to dispose of the appeal in a much shorter span of time than what is generally taken by the High Court. This step would achieve the object for which the provisions of compensation are engrafted in the Motor Vehicles Act, 1988. This would also relieve the High Court from utilizing its resources on matters where the stake involved is only few lakhs and the resources if freed, can be utilized for other matters which require priority. The said Appellate Forum can also hear appeals from the Railway Claims Tribunal under the Railways Act, 1989 and should be headed by a Retired High Court Judge.

14. The functioning of the Tribunal has been successfully tested by our Country over a period of more than 50 years while dealing with appeals under various other enactments, e.g. Income Tax Appellate Tribunal (ITAT), Customs, Excise & Service Tax Appellate Tribunal (CESTAT), National Consumer Disputes Appellate Forum, The Telecom Disputes Settlement and Appellate Tribunal (TDSAT), etc. In my view, it is high time that the Union of India should consider setting up the Appellate Tribunal for resolving the

disputes arising from the orders passed by the Court of first instance, instead of appeals to the High Court.

15. Copy of this order is to be sent to the Ministry of Law and Justice and Finance Ministry for appropriate discussion and consideration on setting up of Appellate Tribunal to hear appeals from orders passed by the Motor Accident Claims Tribunal and the Railway Claims Tribunal.

16. Appeal is dismissed.

17. Consequently, Civil Applications do not survive and are disposed of accordingly.

[JITENDRA JAIN, J.]