ITEM NO.33   COURT NO.7   SECTION IX

S U P R E M E   C O U R T   O F   I N D I A
RECORD OF PROCEEDINGS

Petition(s) for Special Leave to Appeal(C) No(s). 12610/2026

[Arising out of impugned final judgment and order dated 04-03-2026 in IA No. 1671/2026 passed by the High Court of Judicature at Bombay]

VINOD MANGALDAS SHAH & ORS.   Petitioner(s)

VERSUS

IFFCO TOKIO GENERAL INSURANCE CO. LTD. & ORS.   Respondent(s)

IA No. 104503/2026 - ADDITION / DELETION / MODIFICATION PARTIES
IA No. 104502/2026 - EXEMPTION FROM FILING C/C OF THE IMPUGNED JUDGMENT
IA No. 104504/2026 - EXEMPTION FROM FILING O.T.

Date : 17-07-2026 This matter was called on for hearing today.

CORAM : HON'BLE MR. JUSTICE DIPANKAR DATTA
HON'BLE MR. JUSTICE SHEEL NAGU

For Petitioner(s) :Mr. Ravindra Keshavrao Adsure, AOR
Mr. Sanjay Ashok Raut, Adv.
Mr. Yash Prashant Sonavane, Adv.
Ms. Vishwabharati Vitthal Devkhile, Adv.

For Respondent(s) :

UPON hearing the counsel the Court made the following
O R D E R

1. Petitioners were the claimants before the relevant Motor Accident Claims Tribunal[1]. They are the heirs and dependents of the deceased victim. Their claim under Section 166 of the Motor Vehicles Act, 1988[2] succeeded.

2. In terms of the award of the tribunal, allegedly, they are entitled to Rs.19,20,24,467/- [Rupees nineteen crore twenty lakh twenty four thousand

[1] tribunal
[2] ACT

four hundred and sixty seven] only, inclusive of interest.

3. IFFCO-TOKIO General Insurance Company Limited[3], being the insurer of the offending vehicle, challenged the award in an appeal[4] before the High Court under Section 173 of the Act. The insurance company also applied for a stay of the execution proceedings.

4. Submission of the insurance company was recorded by the Division Bench of the High Court in the impugned order dated 4th March, 2026 that it is not challenging the quantum of compensation awarded by the tribunal to the claimants; the challenge is confined to the findings recorded by the tribunal attributing contributory negligence to the driver of the vehicle which was insured with the insurance company.

5. Having regard to the fact that the insurance company has mounted a limited challenge to the award and no challenge was laid to the quantum of compensation awarded by the tribunal in favour of the petitioners, we would have expected the High Court to direct satisfaction of the award by ensuring full payment of the amount awarded with the observation that, subject to the insurance company succeeding in the appeal, it would be entitled to recover from the party ultimately found liable any amount paid by it in excess of its liability. Instead, what we find is that the execution proceedings have been stayed by the High Court by the impugned order subject to payment of only 1/4th of the awarded amount without any security.

6. Considering the fact that the appeal is limited to the finding regarding contributory negligence and that the quantum of compensation awarded to the petitioners is not under challenge, we have failed to comprehend why the award

[3] insurance company
[4] First Appeal No. 194 of 2026

was not directed to be satisfied by the insurance company pending further orders in the appeal. The approach of the High Court does not appear to be justified.

7. We could have set aside paragraph 4 of the impugned order and remitted the matter to the High Court for fresh consideration; however, we consider it expedient to decide this special leave petition upon hearing the insurance company. Since we propose to issue notice, our observations as above are to be treated as tentative.

8. Issue notice, returnable on 3rd August, 2026.

9. Dasti, in addition, is permitted.

10. The insurance company may file an affidavit within ten days of receipt of notice showing cause why paragraph 4 of the impugned order should not be set aside.

(JATINDER KAUR)
P.S. to REGISTRAR

(SUDHIR KUMAR SHARMA)
COURT MASTER (NSH)