



CGHC010000512026



2026:CGHC:43612

NAFR

HIGH COURT OF CHHATTISGARH AT BILASPUR

Judgment Reserved on 31/07/2026

Judgment Passed on 08/10/2026

MAC No. 97 of 2026

1 - National Insurance Co. Ltd. Through Divisional Manager, Division Office, In Front Of Rajbandha Maidan, G.E. Road Raipur, Tahsil And District- Raipur (C.G.) Through T.P. Hub Incharge, Regional Office, 2nd Floor, Mobin Mahal, G.E. Road, Raipur, District- Raipur (C.G.) (Insurance Co.)

... Appellant

versus

1 - Uttam Chandrakar S/o Late Ramkumar Chandrakar Aged About 35 Years R/o Village- Farfouda, P.S. Arang, District- Raipur (C.G.)

2 - Tina Chandrakar D/o Shri Uttam Chandrakar Aged About 15 Years Minor Through Natural Guardian Uttam Chandrakar (Father), R/o Village- Farfouda, P.S. Arang, District- Raipur (C.G.)

3 - Kamni Chandrakar D/o Shri Uttam Chandrakar Aged About 12 Years Minor Through Natural Guardian Uttam Chandrakar (Father), R/o Village- Farfouda, P.S. Arang, District- Raipur (C.G.)

4 - Rajesh Yadav S/o Pateshwar Prasad Yadav Aged About 30 Years R/o Village- Kaagoudi, Post- Supodi, Jmaa P.S. Sangrampur, District- Munger (Bihar)

5 - Prakash Jaiswal S/o Gulabchandr Jaiswal Aged About 45 Years R/o Baherapat, Gunnu, TVS Baipass Road P.S. Sadar, Jharsuguda (Orissa) (Owner)

6 - Smt. Durpati Bai Sahu D/o Bisoha Ram Sahu Aged About 48 Years R/o Village- Borid, Post- Rajni, P.S. Arang, District- Raipur (C.G.)

7 - Toshan Sahu S/o Jagat Ram Sahu Aged About 29 Years R/o Village- Borid, Post- Rajni, P.S. Arang, District- Raipur (C.G.)

8 - Ganpat Sahu S/o Jagat Ram Sahu Aged About 23 Years R/o Village- Borid, Post- Rajni, P.S. Arang, District- Raipur (C.G.)

... Respondents

For Appellant	: Mr. Pravin Kumar Tulsyan, Advocate.
For Respondents No. 1 to 3	: Mr. Arjun Lal Singroul, Advocate.
For other Respondents	: None.

Hon'ble Shri Justice Sanjay Kumar Jaiswal

C.A.V. Judgment

1. This appeal, filed under Section 173 of the Motor Vehicles Act, 1988, challenging the award passed on 06.09.2025 by the 8th Additional Motor Accident Claims Tribunal, Raipur, District Raipur (Chhattisgarh), in Claim Case No. 400/2023 (Uttam Chandrakar & Others vs. Rajesh Yadav & Others) hereinafter briefly referred to as the "award in question."
2. Briefly, the facts of the case are that on 26.12.2022, at about 9:30 AM, Durga Chandrakar (the deceased) was travelling as a pillion rider on a motorcycle with Hulas Ram Sahu from Dumartarai towards Arang. Near Serikhedi Church, Rajesh Yadav drove a trailer vehicle bearing registration number OR-14-N-9477 (hereinafter referred to as the "offending vehicle") at high speed and negligently; the vehicle struck them from behind, causing grievous injuries to Durga Chandrakar, who subsequently passed away during treatment. In connection with this incident, Crime No. 753/2022 was registered at Police Station Mandirhasaud, Raipur, and a charge sheet was filed following the investigation.

3. A claim application for compensation was filed under Section 166 of the Motor Vehicles Act, 1988, by the husband and minor children of the deceased. The deceased's mother, Durpati Bai Sahu, and her brothers, Toshani Sahu and Ganpat Sahu, were also impleaded as parties to the proceedings. After hearing both sides, the Tribunal awarded compensation in favour of the claimants—Uttam Chandrakar, Tina Chandrakar, and Kamni Chandrakar— but did not award any compensation to the mother, Durpati Bai Sahu, or the brothers, Toshani Sahu and Ganpat Sahu. The driver, registered owner, and insurance company associated with the offending vehicle were held liable; it was further determined that the appellant/insurance company had failed to prove any violation of insurance policy conditions regarding the operation of the offending vehicle. The appellant/insurance company has challenged this conclusion in the present appeal.
4. The learned counsel for the appellant-insurance company argues that neither a written statement nor any evidence was submitted by the driver and the registered owner of the offending vehicle in the matter. Since the offending vehicle lacked a valid permit and fitness certificate at the time of the accident, the terms of the insurance policy were violated; in this regard, the company's Assistant Manager, Ankur Meshram, was examined as a witness and he also authenticated Exhibit D-4, a document issued by the Public Information Officer of the RTO office, Rourkela. Nevertheless, the Tribunal's conclusion, arrived at without duly considering the evidence presented by them, that there was no violation of insurance terms is erroneous. Therefore, that conclusion should be set aside, the appeal be allowed, and the company absolved of liability due to

the violation of insurance terms.

5. On the other hand, the learned counsel for Respondents No. 1 to 3 has argued that the conclusion reached by the Tribunal is proper and the argument advanced by the appellant is not tenable; therefore, the appeal should be dismissed.
6. I have heard learned counsel for the parties and perused the record of the Tribunal including award impugned.
7. It is evident from the pleadings, facts, and evidence on record that neither a written statement nor any evidence has been submitted by the driver and registered owner of the offending vehicle; furthermore, neither the permit nor the fitness certificate of the offending vehicle, valid at the time of the alleged accident, has been produced on record.
8. The Hon'ble Supreme Court in the matter of **National Insurance Company Ltd. vs. Swaran Singh and Others**¹, dealt with the same issue involved in the present case and has held in para 110 as under:-

“110. The summary of our findings to the various issues as raised in these petitions is as follows:

(v) Insurance companies, however, with a view to avoid their liability must not only establish the available defence(s) raised in the said proceedings but must also establish “breach” on the part of the owner of the vehicle; the burden of proof where for would be on them.”

9. Further, the Hon'ble Supreme Court in the matter of **Kamala Mangalal Vayani and others Vs. United India Insurance Company Limited and others**², has held in para 6 as under:-

“6. Once it was established that the vehicle was comprehensively insured with the insurer to

1 (2004) 3 SCC 297

2 (2010) 12 SCC 488

cover the passenger risk, the burden to prove that it was not liable in spite of such a policy, shifted to the insurer. The claimants are not expected to prove that the vehicle had a valid permit, nor prove that the owner of the vehicle did not commit breach of any of the terms of the policy.”

10. The Hon’ble Supreme Court in the matter of **Amrit Paul Singh v. TATA AIG General Insurance Co. Ltd.**³, has held in para 24 as under:-

“**24.** The insurer had taken the plea that the vehicle in question had no permit. It does not require the wisdom of the “Tripitaka”, that the existence of a permit of any nature is a matter of documentary evidence. Nothing has been brought on record by the insured to prove that he had a permit of the vehicle. In such a situation, **the onus cannot be cast on the insurer.** Therefore, the Tribunal as well as the High Court had directed that the insurer was required to pay the compensation amount to the claimants with interest with the stipulation that the insurer shall be entitled to recover the same from the owner and the driver.”

11. Taking into consideration the pleadings, facts, evidence adduced, legal provisions, and principles laid down in the above judicial precedents, it is observed in the case at hand that neither the driver nor the registered owner of the offending vehicle filed a written statement. In contrast, the appellant insurance company explicitly raised an objection in its written statement, contending that the terms of the insurance policy were violated due to the absence of a valid permit and fitness certificate for the offending vehicle; to substantiate this violation, the insurance company also presented the testimony of Assistant Manager Ankur Meshram, who clearly stated that the offending vehicle did not possess a valid permit or fitness certificate on the date of the accident. This testimony remained

3 (2018) 7 SCC 558

unrebutted.

12. The Tribunal's award notes that the validity period of the permit is mentioned in the seizure memo (Exhibit P-6); however, it is also pertinent to observe that given the absence of the permit number or any other specific details, it was not possible for the insurance company to produce particulars regarding the alleged permit before the Tribunal. Furthermore, had a valid permit existed on the date of the accident, it would have been quite easy for the owner of the offending vehicle to cite its number and produce it before the Tribunal, a step that was not taken.

13. It is noteworthy that the information submitted as Exhibit D-4 by the appellant/insurance company's witness, Assistant Manager Ankur Meshram, originating from the office of the Public Information Officer (PIO), Rourkela, holds no significant value in itself, as it does not pertain to the date of the accident. As for the issue regarding the failure to examine the PIO who issued that information, the appellant insurance company had moved an application before the Tribunal under Order 16 Rule 1 of the Code of Civil Procedure seeking to summon that officer as a witness; however, the Tribunal itself rejected this request by an order dated 20.08.2025, reasoning that the opposing party had not objected to the submitted document being marked as an exhibit. Yet, paradoxically, in Paragraph 12 of the impugned award, the Tribunal refused to accept the appellant's evidence on the very ground that the PIO of the RTO office, Rourkela, had not been examined. Thus, the said conclusion reached by the Tribunal is self-contradictory.

14. A perusal of the entire evidence available on record reveals that the appellant insurance company has not only made clear pleadings but

also adduced evidence in discharge of its burden of proof; thus, it is evident that the insurance company has discharged its burden. On the other hand, the owner of the offending vehicle neither filed a written statement nor produced any details regarding the alleged permit or fitness certificate, nor did they adduce any evidence.

15. In light of the aforementioned circumstances and the judgment passed in the matter of **Pareed Pillai Vs. Oriental Insurance Company Ltd.**⁴, this Court finds that the appellant insurance company has established a violation of the insurance terms due to the absence of a valid permit and fitness certificate for the offending vehicle on the date of the accident; consequently, the insurance company cannot be held liable for payment of compensation, and the finding recorded by the Tribunal regarding Issue No. 2 in this regard is set aside.

16. The foregoing analysis reveals that the insurance company is not liable to pay compensation because the offending vehicle was being driven without a valid permit and fitness certificate, thereby violating the terms of the insurance policy, even though the vehicle was insured. In accordance with the judgment passed in the matter of **Amrit Paul** (supra), where there is a breach of insurance conditions due to the absence of a fitness certificate or permit, an order for "pay and recover" is considered appropriate given that the offending vehicle was insured. Therefore, in light of the aforementioned judgment, it is directed that the appellant insurance company shall first pay the awarded compensation amount to the claimants, which it may subsequently recover from the registered owner and the driver of the offending vehicle.

4 AIR 2019 Kerala 9

17. In view of the foregoing, the appeal of the appellant insurance company is **partly allowed** and modified to the extent indicated herein-above.

18. The records of the Tribunal along with a copy of this judgment, be sent forthwith for compliance and necessary action, if any.

Sd/-
(Sanjay Kumar Jaiswal)
Judge

H. L. Sahu