



CGHC010038982024

2026:CGHC:44520

NAFR

HIGH COURT OF CHHATTISGARH AT BILASPUR

MAC No. 239 of 2024

Branch Manager, The Oriental Insurance Company Limited M.B. Trade Center-2, Behind Amar Talkies Balak Chowk Dhamtari District Dhamtari, C.G. Through Authorized Signatory, The Oriental Insurance Company Limited, Legal Hub, Ram Trade Centre, First Floor, In Front Of Rajiv Plazza, Old Bus Stand, Bilaspur, C.G.

...Appellant(s)

versus

- 1** - Hemen Netam Wd/o Rajendra Netam Aged About 46 Years R/o Village Karetha PS And Tehsil Arjuni Dist. Dhamtari, C.G.
- 2** - Anjana Netam D/o Late Rajendra Netam Aged About 19 Years R/o Village Karetha Ps And Tehsil Arjuni Dist. Dhamtari, C.G.
- 3** - Monica Netam D/o Late Rajendra Netam Aged About 23 Years R/o Village Karetha Ps And Tehsil Arjuni Dist. Dhamtari, C.G.
- 4** - Godawari Netam W/o Dukalu Netam Aged About 65 Years R/o Village Karetha PS And Tehsil Arjuni Dist. Dhamtari, C.G.
- 5** - Puran Nishad S/o Sonuram Nishad Aged About 41 Years R/o Village Borsi PS Magarload District Dhamtari, C.G.
- 6** - Bhupesh Jain S/o Moolchand Jain R/o Sadar Bazar Dhamtari, Tehsil And Dist. Dhamtari, C.G.

... Respondent(s)

For Appellant(s) : Mr. B. N. Nande, Advocate, along with
Ms. Anjali Nayak, Advocate

For Respondents : Mr. Rajendra Patel, Advocate
No.1 to 4

Hon'ble Shri Justice Sanjay Kumar Jaiswal

Order on Board

14/10/2026

1. This appeal under Section 173 of the Motor Vehicles Act, 1988, has been preferred by the appellant–Insurance Company, challenging the award dated 26.10.2023 passed by the Additional Motor Accident Claims Tribunal (FTC), Dhamtari, District Dhamtari, in Claim Case No. 54/2018, whereby the Tribunal awarded a total compensation of ₹51,22,608/- on account of the death of Manoj Kumar, who succumbed to the injuries sustained in a motor vehicle accident that occurred on 10.02.2018.
2. Learned counsel for the appellant–Insurance Company assails the impugned award on two grounds. Firstly, it is contended that the deceased was unmarried at the time of the accident and, therefore, the Tribunal ought to have deducted one-half ($\frac{1}{2}$) of his income towards his personal and living expenses instead of one-third ($\frac{1}{3}$). Secondly, it is submitted that although the Tribunal recorded a specific finding that the offending vehicle was being plied without a valid permit on the date of the accident, thereby constituting a breach of the terms and conditions of the insurance policy, it erred in directing the appellant–Insurance Company to pay the compensation amount to the claimants in the first instance and recover the same from the owner and driver of the offending vehicle. On these grounds, learned counsel submits that the impugned award deserves to be modified.
3. Per contra, learned counsel for respondents No.1 to 4/claimants supports the impugned award and submits that

the findings recorded by the Tribunal are based on a proper appreciation of the pleadings and evidence available on record. It is further contended that the impugned award is just and proper and does not suffer from any infirmity warranting interference by this Court.

4. I have heard learned counsel for the parties at length and perused the entire record with due care.
5. As regards the first ground of deduction raised by the appellant-Insurance Company, although the deceased was unmarried at the time of the accident, there are four claimants in the present case i.e. his widowed mother, two unmarried sisters and grandmother. The deceased was the sole male earning member of the family. Having regard to these circumstances, the Tribunal was justified in deducting one-third ($\frac{1}{3}$) of the deceased's income towards his personal and living expenses instead of one-half ($\frac{1}{2}$). Accordingly, no interference with the impugned award is warranted on this ground.
6. Coming to the second ground concerning the direction to pay and recover, a perusal of the impugned award reveals that the Tribunal has recorded a specific finding that the offending vehicle did not possess a permit on the date of the accident. Thus, there was a breach of the terms and conditions of the insurance policy concerning the use of the vehicle without a valid permit. At the same time, the Tribunal has found that the offending vehicle was duly insured with the appellant-Insurance Company on the date of the accident.
7. The Hon'ble Supreme Court, in **Amrit Paul Singh and Another v. TATA AIG General Insurance Company Limited and Others, reported in (2018) 7 SCC 558**, while considering a case involving a fundamental breach of the

terms and conditions of an insurance policy on account of the offending vehicle being plied without a valid permit, held that the insurer is entitled to recover the compensation amount from the owner and driver of the offending vehicle after first satisfying the award by paying the compensation to the claimants.

8. In view of the principle laid down by the Hon'ble Supreme Court in the aforesaid judgment and having regard to the facts and circumstances of the present case, this Court finds no illegality or perversity in the direction issued by the Tribunal requiring the appellant-Insurance Company to satisfy the award in the first instance and thereafter recover the amount so paid from the owner and driver of the offending vehicle. Accordingly, the second ground raised by the appellant-Insurance Company also fails.
9. In view of the foregoing discussion, this Court is of the considered opinion that the impugned award passed by the learned Claims Tribunal is just and proper and does not warrant any interference by this Court.
10. Consequently, the appeal, being devoid of merit, is **dismissed**.
11. The record of the Tribunal, along with a copy of this order, be transmitted forthwith for information, compliance and necessary action, if any.

Sd/-
(Sanjay Kumar Jaiswal)
JUDGE