



CGHC010445152025



2026:CGHC:44757

NAFR**HIGH COURT OF CHHATTISGARH AT BILASPUR****MAC No. 2227 of 2025**

1 - Santuram @ Shanturam Uike S/o Lt. Mainuram Aged About 47 Years R/o Village Chichgaon P.O. Kulhadkatta Tehsil- Bhanupratappur District Kanker C.G.

2 - Surjotin Uike W/o Shanturam Uike Aged About 44 Years R/o Village Chichgaon P.O. Kulhadkatta Tehsil- Bhanupratappur District Kanker C.G.

... Appellant**versus**

1 - Narendra Kumar Kachlam S/o Ramuram Kachlam Aged About 30 Years R/o Village-Chhindpal, P.S.- Badgaon, Teh- Pakhanjur, Dist- Kanker C.G. (Driver Of The Vehicle Bearing Registration No. C.G. 19 B.G. 9987)

2 - Birendra Dehari S/o Mahhettar Ram Dehari Aged About 51 Years House No. 31 Ganetapara Ward No. 08 Amagaon (Aamaguhan)- Damkassa P.S. And Outpost Bhanupratappur, District Kanker C.G. (Owner Of The Vehicle Bearing Registration No. C.G. 19 B.G. 9987)

3 - The New India Insurance Company Ltd. Through The Branch Manager Branch Office - M.M. Tower Akashwani Road Jagdalpur Teh And District- Bastar C.G. (Insurer Of The Vehicle Cruiser Bearing Registration No. C.G. 19 B.G. 9987)

... Respondents

For Appellants/Claimants : Mr. Amit Nayak, Advocate.

For Respondents No. 1 & 2 : Ms. Dhaneshwari Patel, Adv.

For Respondent No. 3 : Mr. Qamrul Aziz, Advocate.

Hon'ble Shri Justice Sanjay Kumar Jaiswal**Judgment on Board**

(15.10.2026)

1. This appeal under Section 173 of the Motor Vehicles Act, 1988 (for short the "Act of 1988") has been preferred by the appellants/claimants seeking enhancement of the amount of compensation, challenging the impugned award dated 02.08.2025, passed in Claim Case No.13/2023, whereby the learned Claims Tribunal has awarded a total sum of Rs.12,19,400/- as compensation for the death of Late Manohar Uike (26 years old), who died in a road accident which took place on 17.03.2023.
2. Learned counsel for the appellant would submit that the learned Claims Tribunal has erred in awarding a lesser amount of compensation in the facts of the case. The Claims Tribunal has assessed the income of the deceased as Rs.8,000/- per month, whereas the minimum wages were Rs. 9,960/- per month on the date of the accident i.e. 17.03.2023; therefore, the income of the deceased should be considered on the higher side. He also submits that the Tribunal has awarded a lesser amount under other conventional heads, which needs to be enhanced. Therefore, the instant appeal should be allowed, and the compensation awarded by the Claims Tribunal may suitably be enhanced. He also prayed that the principle of 'pay and recover' may be applied.
3. On the other hand, learned counsel for the respondents supported the impugned award. Learned counsel for respondent No. 3/insurance company submits that since the offending vehicle was driven by its driver in breach of policy conditions, and there was no valid permit for the offending vehicle on the date of the accident, the company is not liable for payment of compensation.
4. I have heard learned counsel for the parties and went through the records with utmost circumspection.
5. In the present case, the learned Tribunal assessed the deceased's monthly income at ₹8,000. According to the

claimants, the deceased was approximately 26 years old, worked as a laborer and mason, and earned ₹15,000 per month, though no documentary evidence was produced to substantiate this claim. Accordingly, in view of the facts and circumstances, it is appropriate to assess the deceased's monthly income at ₹9,960, in accordance with the minimum wages notification issued by the office of the Labour Commissioner, Chhattisgarh, for unskilled labour. Additionally, while the Tribunal awarded only ₹77,000 under conventional heads, this amount ought to be enhanced to ₹1,32,000. To this extent, the impugned award needs to be modified.

6. Thus, in light of the aforesaid discussion and in light of the judgments of the Supreme Court rendered in the matters of **National Insurance Company Ltd. V. Pranay Sethi¹, Sarla Verma & Ors. Vs. Delhi Transport Corporation & Ors² and Magma General Insurance Co. Ltd. v. Nanu Ram @ Chuhru Ram & Ors³**, this Court is computing the compensation as below:-

Sr. No.	Heads	Compensation awarded by the Tribunal	Compensation awarded by this Court
1	Income	Rs. 8,000 x 12 = 96,000/-	Rs. 9,960 x 12 = 1,19,520/-
2.	Future prospect	(+)40% (i.e. Rs. 38,400) = 1,34,400/-	(+)40% (i.e. Rs. 47,808) = 1,67,328/-
3.	Deduction	(-) 1/2 (i.e. Rs. 67,200) = 67,200/-	(-) 1/2 (i.e. Rs. 83,664) = 83,664/-
4.	Multiplier	(x) 17 = 11,42,400/-	(x) 17 = 14,22,288/-
5	Other conventional heads	Rs. 77,000	Rs. 1,32,000/- [18,000+18,000+ (48,000x2)]
	Total	Rs. 12,19,400/-	Rs. 15,54,288/-

1 (2017) 16 SCC 680
2 (2009) 6 SCC 121
3 (2018) 18 SCC 130

7. In view of the aforesaid analysis, the amount of compensation of Rs.12,19,400/- awarded by the Claims Tribunal is enhanced to Rs.15,54,288/-. Hence, after deducting the amount of Rs.12,19,400/-, the appellants are held entitled for an additional amount of **Rs.3,34,888/-**. The additional amount of compensation shall carry interest @ 6% per annum from the date of filing of the claim application before the Claims Tribunal till its realization. Rest of the conditions of the impugned award shall remain intact.
8. So far as the prayer for apply the principle of 'pay and recover' is concerned, in accordance with the judgment passed in the matter of **Amrit Paul Singh v. TATA AIG General Insurance Co. Ltd, (2018) 7 SCC 558**, 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 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.
9. In the result, the appeal is **partly allowed** and the impugned award is modified to the extent as indicated herein-above.
10. The Registry is directed to communicate the claimants in writing "the enhanced amount" in this appeal as against the award made by the concerned Tribunal. The said communication be made in Hindi Deonagri language and the help of paralegal workers may be availed with a co-ordination of Secretary, Legal Aid of the concerned area wherein the claimants resides.

Sd/-
(Sanjay Kumar Jaiswal)
Judge