CGHC010177342024 2026:CGHC:46177

NAFR

HIGH COURT OF CHHATTISGARH AT BILASPUR

MAC No. 1090 of 2024

1 - United India Insurance Company Limited, Branch Office, Paras Complax, Gurudwara Station Road, Opposite State Bank, Tehsil And District Durg Chhattisgarh. (Appellant (Non-Applicant No.) Insurer)

... Appellant

versus

1 - Smt. Malti Sonkar W/o Bharatlal Sonkar, Aged About 33 Years R/o Village Koliyari, Tehsil Of Village Koliyari Tehsil And District Dhamtari, Chhattisgarh (Respondent No. 1 (Applicant No. 1) (Claimant)

2 - Bharatlal Sonkar, S/o Late Kanwalo Singh, Aged About 40 Years R/o Village Koliyari, Tehsil Of Village Koliyari Tehsil And District Dhamtari, Chhattisgarh (Respondent No. 2(Applicant No. 2) (Claimant)

3 - Umashankar S/o Bhuneshwar Prasad Sahu, Aged About 25 Years R/o Girra, P.S. And Tehsil Palari, District Balodabazar Chhattisgarh Respondent No. 3 (Non Applicant No. 1) (Driver)

4 - Amandeep Singh Bhatia, S/o Inderjit Singh Bhatia, Aged About 38 Years R/o Near Gurudwara, Patthalgaon, P.S. Patthalgaon, District Jashpur Chhattisgarh. Respondent No. 4 (Non Applicant No. 2) (Owner)

... Respondents

For Appellant	**:**	Mr. Abhishek Vinod Deshmukh, Advocate
For Respondent Nos.1 to 3.		None.
For Respondent No.4.	**:**	Mr. Anand Kesharwani, Advocate

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Hon'ble Shri Justice Sanjay Kumar Jaiswal, J.
Order on Board
(02/11/2026)

1. Heard on I.A. No.02/2024, application for condonation of delay.

2. Upon due consideration that the order of this Court dated 13.06.2024 was complied with in 2024 and 50% of the award amount has been deposited, I.A. No. 02/2024 is allowed. The 24-day delay in filing the appeal is condoned.

3. Also heard on admission.

4. Admit.

5. Records of the Tribunal have been received.

6. With the consent of both the parties the matter was heard finally.

7. This appeal under Section 173 of the Motor Vehicles Act, 1988 has been preferred by the appellant-Insurance Company assailing the award dated 29.01.2024 passed by the Additional Motor Accident Claims Tribunal (FTC), District- Dhamtari (C.G.) in Motor Accident Claim Case No.4/2022, whereby the Tribunal has awarded a sum of Rs.5,70,000/- as compensation to the claimants for death of Onisha Sonkar (aged 12 years) in a motor accident that occurred on 11.12.2021.

8. While passing the impugned award, the Tribunal has fastened the liability of payment of compensation upon the Insurance Company. Aggrieved thereby, the present appeal has been filed.

9. Learned counsel for the appellant submits that the Tribunal has committed a serious error of law as well as fact in ignoring the

specific stipulation contained in Clause 6 of the National Permit. The said clause clearly provides that the endorsement of the National Permit is required to be renewed from year to year. The finding recorded by the Tribunal is perverse, contrary to the documentary evidence on record and legally unsustainable. The appellant is consequently entitled to be exonerated from the liability to satisfy the award, as there was no valid permit in force on the date of the accident.

10. Per contra, learned counsel appearing for the respondent No.4 supports the impugned award and submits that the objection raised by the appellant-Insurance Company regarding the absence of authorization of the permit is misconceived. He submits that the vehicle in question was being operated within the State of Chhattisgarh and the accident had also occurred within the State of Chhattisgarh; therefore, no separate authorization of the permit was required for plying the vehicle within the State.

11. I have heard learned counsel appearing for the parties, considered their rival submissions and perused the record of the Tribunal with due circumspection.

12. The sole contention advanced on behalf of the appellant is that the permit of the offending vehicle had not been duly authorized and, therefore, the vehicle was being plied in contravention of the provisions of law as well as the terms and conditions of the insurance policy. The said contention, however, cannot be

accepted in view of the law laid down by the Hon'ble Supreme Court in ***Shri Binod Kumar Singh v. National Insurance Company Ltd., SLP (Civil) No.13060 of 2020***, wherein, in paragraph 8, it has been observed as under:

> "8. This Court has carefully gone through the permit which is on record and the National Permit is certainly valid up to 13.10.2017. The authorization fee was required to be paid only when the truck was moving out of State of Bihar as it was registered in the State of Bihar and the truck caught fire on account of short-circuit on 08.06.2014 in the State of Bihar itself and, therefore, the respondent company could not have repudiated the claim on such a frivolous ground. The permit in question was issued by the competent authority in Bihar and, therefore, there was no requirement of paying authorization fee when the truck was being used in the State of Bihar and as per the terms and conditions of the National Permit, authorization fee was required to be paid only when the truck was moving out of State of Bihar. Thus, in the considered opinion of this Court, the appellant was certainly entitled for the insurance claim as held by the State Commission and, therefore, the order passed by the National Commission, dated 19.08.2020, deserves to be set aside and is accordingly set aside. The respondent National Insurance Company is directed to process the claim of the appellant and to pay the amount to the appellant within a period of 60 days from today. It is needless to mention that the claim became due in the year 2014 and it was repudiated by the respondent National Insurance Company in the year 2014 itself. The order of the State Commission allowing the claim was passed in the year 2017 which was reversed by the National Commission in the year 2020. Therefore, in the considered opinion of this Court, the appellant was not only entitled for the entire claim amount right from the date it became due but he is also entitled for interest from the date of the complaint made before State

Commission till the date, the amount is actually paid to him. The appellant shall be entitled to interest @ 9% per annum and the same with the proposed amount be paid positively within 60 days from today."

13. In the present case, the offending vehicle was registered with the Transport Authority at Jashpur and was being operated within the territorial limits of the State of Chhattisgarh. The accident also occurred within the State of Chhattisgarh. In such circumstances, in view of the law laid down by the Hon'ble Supreme Court in ***Shri Binod Kumar Singh*** (supra), no separate authorization of the permit was required for plying the vehicle within the State of Chhattisgarh. Consequently, the alleged absence of such authorization cannot be treated as a breach of the terms and conditions of the insurance policy so as to absolve the appellant-Insurance Company of its liability to indemnify the insured.

14. In view of the foregoing discussion, this Court finds no infirmity in the finding recorded by the Tribunal fastening liability upon the appellant-Insurance Company. The appeal, being devoid of merit, is accordingly **dismissed**.

Sd/-
(Sanjay Kumar Jaiswal)
Judge

H.L. Sahu