CGHC010184092023 2026:CGHC:44306

NAFR

HIGH COURT OF CHHATTISGARH AT BILASPUR

MAC No. 965 of 2023

1 - The New India Assurance Company Limited Mandal Office Laxmi Nagar Shri Ganesh Chamber Nagpur (Maharashtra), Through Its Divisional Manager Divisional Office - II Behind LIC Divisional Office, 1st Floor, LIC Building, Pandri, Raipur District Raipur Chhattisgarh

... Appellant

versus

1 - Smt. Bindabai Wd/o Late Madho Prasad Sagu Aged About 43 Years R/o Village And P.O. Tundara, P.S. Gidhauri, Tehsil Kasdol District Balodabazar Bhatapara Chhattisgarh

2 - Kamlapati S/o Late Madho Prasad Sahu Aged About 28 Years R/o Village And P.O. Tundara, P.S. Gidhauri, Tehsil Kasdol District Balodabazar Bhatapara Chhattisgarh

3 - Prahlad S/o Late Madho Prasad Sahu Aged About 26 Years R/o Village And P.O. Tundara, P.S. Gidhauri, Tehsil Kasdol District Balodabazar Bhatapara Chhattisgarh

4 - Sagar Kumar S/o Late Madho Prasad Sahu Aged About 22 Years R/o Village And P.O. Tundara, P.S. Gidhauri, Tehsil Kasdol District Balodabazar Bhatapara Chhattisgarh

5 - Sukhsagar S/o Late Madho Prasad Sahu Aged About 22 Years R/o Village And P.O. Tundara, P.S. Gidhauri, Tehsil Kasdol District Balodabazar Bhatapara Chhattisgarh

6 - Minor Nirupa Kumari D/o Late Madho Prasad Sahu Aged About 17 Years Through Mother Smt. Bindabai Sahu, (Respondent No. 1) R/o Village And P.O. Tundara, P.S. Gidhauri, Tehsil Kasdol District Balodabazar Bhatapara Chhattisgarh

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7 - Nanki Noni Wd/o Late Haricharan Sahu Aged About 70 Years R/o Village And P.O. Tundara, P.S. Gidhauri, Tehsil Kasdol District Balodabazar Bhatapara Chhattisgarh

8 - Ramesh Kumar S/o Ramdevram Aged About 31 Years R/o Village Karisat, P.S. Jahanaganj, District Azamgarh (Uttar Pradesh)(Driver)

9 - L.N.Gupta Transport Company Partner Rajesh Gupta, C/o Vinod G Kochar, R.H. Number 121/3, P.N. 05, Kapsi Bhandara Road, Nagpur, Maharashtra R/o C.M.R.C. Transport Hirapur, P.S. Kabir Nagar, Raipur District Raipur Chhattisgarh (Registered Owner)

... Respondents

For Appellant	:	Mr. Dashrath Gupta, Advocate.
For Respondent No. 9	:	Ms. Renu Kochar, Advocate.
For other Respondents	:	None.

Hon'ble Shri Justice Sanjay Kumar Jaiswal
Judgment on Board

(13.10.2026)

1. This appeal under Section 173 of the Motor Vehicles Act, 1988 (for short the "Act of 1988") has been preferred by the Insurance Company challenging the impugned award dated 25.02.2023, passed in Claim Case No.39/2021, whereby the learned Claims Tribunal has awarded a total sum of Rs.9,66,000/- as compensation in favour of the claimants.

2. Brief facts of the case are that on 10.05.2021 at 8:30 pm, the deceased Madho Prasad Sahu was going from Kasdol to his home village, Tundra, on a motorcycle, when, near the Dhamalpur – Navapara turn on the Kasdol- Gidhauri main road, the vehicle coming from the front, a milk Eicher truck No. MH-40-Y-9846, driven by Ramesh Kumar (respondent No. 8), by driving at high speed and carelessly, hit the motorcycle and caused an accident due to which the deceased fell, sustained grievous injuries and died during initial treatment. The police registered a report under Crime No. 62/2021 under Sections 279 and 304(A) of the IPC against the driver/Ramesh Kumar

(respondent No. 8), and after investigation, filed a charge sheet.

3. The Tribunal, after hearing both parties, passed the award impugned in the claim application filed by claimants/respondents No. 1 to 7 under Section 166 of the M.V. Act. In the said award, it was found that on the date of the accident, the offending vehicle was duly insured with the appellant/insurance company and there was no breach of policy conditions. Consequently, the Tribunal imposed the liability to pay the stipulated compensation amount on the appellant/insurance company, which has been challenged by the appellant/insurance company in this appeal.

4. Learned counsel for the appellant/insurance company submits that on the date of the accident (10.05.2021), the offending vehicle did not possess a valid permit, thereby constituting a breach of policy conditions; however, the Tribunal did not accept this plea and held the appellant liable, whereas the absence of a permit amounts to a breach of policy conditions. Therefore, it is prayed that the appeal be allowed, the appellant be exonerated from its liability, and the impugned award be set aside so far as the liability is concerned.

5. On the other hand, learned counsel for respondent No. 9/owner of the offending vehicle supported the impugned award so far as the liability is concerned.

6. I have heard learned counsel for the appellant and went through the records with utmost circumspection.

7. There is no record of a permit for the offending vehicle as of the date of the accident, 10.05.2021. The onus of proving a breach of policy primarily lies with the insurance company. On behalf of the insurance company, Alok Kumar Ogre (NAW-1) an Assistant Grade-II employee from the RTO office in Raipur, was examined; he merely stated that, in accordance with Rules 86 and 87(3) of the Central Motor Vehicles Rules, 1989, obtaining authorisation for a national permit is mandatory for any goods

vehicle. Under Rule 87(3), such authorisation is valid for one year and is not effective in another state unless renewed. He has not stated that no permit for the offending vehicle was issued by his RTO office for the date of the accident.

8. During cross-examination, the appellant insurance company's witness, Alok Kumar Ogre (NAW-1), admitted that during the COVID-19 period, their office opened and closed intermittently and operated in accordance with government directives. He also admitted that the Central Government had granted exemptions regarding permits during the COVID-19 period and that all state governments had been notified of this. Thus, the insurance company's own witness acknowledged the permit exemptions during the COVID-19 period; however, there is no evidence to clearly indicate that the exemption regarding the permit requirement was not applicable on the date of the accident (10.05.2021). It is also noteworthy that the offending vehicle was being used for milk distribution. Under these circumstances, the Tribunal's conclusion, finding it unproven that the vehicle involved in the accident was being driven in violation of insurance terms, is proper and warrants no interference.

9. Accordingly, the appeal filed by the appellant/insurance company is devoid of merit, liable to be and is hereby **dismissed**.

10. Records of the Tribunal along with a copy of this judgment, be sent forthwith for information and necessary action, if any.

Sd/-
(Sanjay Kumar Jaiswal)
Judge

H.L. Sahu