CGHC010203812023 2026:CGHC:46505

NAFR

HIGH COURT OF CHHATTISGARH AT BILASPUR

MAC No. 1126 of 2023

1 - The New India Insurance (Correct name is Assurance) Company Limited, Branch Office Kewdabadi, Near Bus Stand, Raigarh, Tahsil and District Raigarh (C.G.)

... Appellant

versus

1 - Sharda Dansena W/o Sarju Dansena, Aged About 45 Years, Occupation Housewife, R/o Village Rajpur, Belpali, Police Station Bhupdevpur, Tahsil Kharsiya, District Raigarh (C.G.)

2 - Amika Dansena D/o Late Sarju Dansena, Aged About 23 Years R/o Village Rajpur, Belpali, Police Station Bhupdevpur, Tahsil Kharsiya, District Raigarh (C.G.)

3 - Disha Dansena W/o Sarju Dansena Aged About 45 Years Occupation Student. R/o Village Rajpur, Belpali, Police Station Bhupdevpur, Tahsil Kharsiya, District Raigarh (C.G.)

4 - Neha Jaiswal D/o Late Sarju Dansena Aged About 25 Years Occupation Housewife, R/o Village Judga, Tahsil And Police Station Sakti, District Janjgir-Champa (C.G.)…...**(Claimants)**

5 - Ramkumar Sahu S/o Pancharam Sahu Aged About 38 Years R/o Village Bhathapara, Nawagarh, Ward No. 11, Tahsil Nawagarh, District Janjgir-Champa (C.G.) (**Driver** Of Vehicle)

6 - Indarmani Mineral India Private Limited G.E. Road, Telibandha, Raipur, Tahsil And District Raipur (C.G.)

... Respondents

For Appellant	**:**	Mrs. Swati Agrawal, Advocate
For Respondent Nos.1 to 4	**:**	None
For Respondent No.5	**:**	Mr. Akhtar Hussain, counsel.
For Respondent No.6	**:**	None.

Hon'ble Shri Justice Sanjay Kumar Jaiswal, J.
Order on Board
(03/11/2026)

1. This appeal under Section 173 of the Motor Vehicles Act, 1988 has been preferred by the appellant-Insurance Company assailing the award dated 28.01.2023 passed by the Motor Accident Claims Tribunal, Raigarh, District Raigarh (C.G.) in Motor Accident Claim Case No.33/2022, whereby the Tribunal has awarded a sum of Rs.22,22,260/- as compensation to the claimants for the death of Late Sarju Dansena in a motor accident that occurred on 20.12.2021.

2. 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.

3. Learned counsel for the appellant/Insurance Company has primarily contended that the offending vehicle was being plied without a valid permit and, therefore, there was a breach of the terms and conditions of the insurance policy. It is further submitted that the learned Tribunal has erred in not accepting the said contention. Therefore, the impugned award may be set aside.

4. On the other hand, learned counsel for respondent No.5 has opposed the argument advanced by learned counsel for the appellant/Insurance Company and supported the impugned award.

5. I have heard learned counsel appearing for the appellant/Insurance Company and respondent No.5, considered their rival submissions and perused the record of the Tribunal with due circumspection.

6. 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.

7. The Hon'ble Supreme Court in the matter of ***Shri Binod Kumar Singh v. National Insurance Company Ltd.*, SLP (Civil) No.13060 of 2020**. has observed in para 8 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."

8. In the instant case, upon perusal of the permit (Ex. D-5), it is evident that the same was valid for the period from 25.12.2018 to 24.12.2023 and, therefore, was valid on the date of the accident, i.e., 20.12.2021. Further, the accident occurred within the State of Chhattisgarh and the permit

was also issued by the competent authority of the State of Chhattisgarh. Thus, in view of aforesaid factual backgrounds of the case, this Court finds no merit in the contention advanced by learned counsel for the appellant/Insurance Company regarding breach of the permit condition. Accordingly, the said contention is rejected.

9. In view of the foregoing discussion and in view of the decision of Hon'ble Supreme Court in ***Binod*** (*supra*), 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

Digitally signed by VIJAY BHARATRAO PEKDE
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