



2026:CGHC:8222

NAFR

**HIGH COURT OF CHHATTISGARH AT BILASPUR****MAC No. 883 of 2018**

Branch Manager, The New India Assurance Company Limited  
Branch Office (450301), Iind Floor R.D.A. Building Raipur, District  
Raipur Chhattisgarh., District : Raipur, Chhattisgarh

**... Appellant****versus**

**1** - Maan Singh Dhruv S/o Shri Jahur Singh Dhruv R/o Vill.- Mohandi,  
P.S. Mahasamund District Mahasamund Chhattisgarh., District :  
Mahasamund, Chhattisgarh

**2** - Smt. Bodhani W/o Maan Singh Dhruv R/o Vill.- Mohandi, P.S.  
Mahasamund District Mahasamund Chhattisgarh., District :  
Mahasamund, Chhattisgarh

**3** - Vikram Singh Diwan, S/o Bhagwat Singh Diwan, R/o Vill.-  
Mohandi, P.S. Vill.- Mohandi, P.S. Mahasamund, District  
Mahasamund Chhattisgarh., District : Mahasamund, Chhattisgarh

**... Respondent(s)*****(Cause title taken from CIS)***



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For Appellant :Shri Dashrath Gupta, Advocate

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For Respondent No. 1:None, despite service of notice.

For Respondent No. 2:Shri Bharat Rajput, Advocate.

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For Respondent No. 3:None, despite service of notice

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**Hon'ble Shri Bibhu Datta Guru, Judg**  
**Judgment on Board**

**16.02.2026**

1. This appeal under Section 30 of the Workmen Compensation Act has been filed by the appellant (non-applicant No.2) being aggrieved by the judgment dated 29.01.2018 passed by Commissioner for Employees Compensation (Labour Court) Mahasamund (C.G.) in Case No. 10/W.C. Act/2013 (between the parties "Maan Singh Dhruv & Another vs. Vikram Singh Diwan & Another).
2. The instant appeal was admitted by this Court on 23.07.2021 on the following substantial question of law:

*"Whether in absence of any evidence led by the Appellant/Insurance Company, the Commissioner for Employee's Compensation was justified in fastening the liability upon the Insurance Company by holding that the vehicle in question, "tractor attached with its trolley" was not being used in violation of the policy?"*



3. The brief facts of the claim are that **Applicant No. 1 is the father and Applicant No. 2 is the mother of the deceased employee namely; Devanand Dhruv.** It is pleaded that the deceased was employed under Non-Applicant No. 1 as an agricultural labourer on Tractor bearing Registration No. CG-06-A-6662 and Trolley No.6663. Apart from agricultural labour work, the deceased was also assigned duties of watch and ward of the fields. He was being paid wages at the rate of Rs. 150/- per day by Non-Applicant No. 1. It is further averred that on 25.05.2008, during the course and arising out of his employment, while the deceased was engaged in bringing paddy bundles in the tractor of Non-Applicant No. 1, he fell down from the vehicle due to the negligent driving of the driver and came under the tractor, sustaining grievous injuries. Despite medical treatment, the deceased succumbed to the injuries. According to the claimants at the time of the accident, the deceased was aged about 22 years and was earning monthly wages of approximately Rs. 4,500/-. The offending vehicle was duly insured with Non-Applicant No. 2, and the insurance policy was valid and effective on the date of the accident.



4. On the basis of the aforesaid facts, the applicants have prayed that compensation amounting to Rs. 4,42,740/- along with interest be awarded against Non-Applicant Nos. 1 and 2 jointly and severally.
  
5. The Non-Applicant No. 1 has filed his written statement admitting the averments of the claim application. It is admitted that the deceased, Devanand Dhruv, was employed under him and that the death occurred due to an accident arising out of and in the course of employment. It is specifically admitted that the deceased died after being crushed under the wheel of the trolley when he accidentally lost balance due to the negligent driving of the driver. It is further specifically pleaded that Non-Applicant No. 1 is the registered owner of Tractor bearing Registration No. CG-06-A-6662, which was insured with Non-Applicant No. 2, The New India Insurance Company Limited, R.D.A. Building, Raipur, under Policy No. 450301/47/07/96/00000530, valid for the period from 29.01.2008 to 28.01.2009. Since the accident occurred during the subsistence of the insurance policy, the entire liability to pay compensation lies upon Non-Applicant No. 2, the Insurance Company.



6. The Non-Applicant No. 2, the Insurance Company, has filed its written statement denying the material averments of the claim petition as false. It is contended that the insurance policy was issued for agricultural purposes only; however, the vehicle was allegedly being used for commercial purposes at the time of the accident, which was in violation of the policy conditions. It is further pleaded that the policy covered only one person and that there was breach of the terms and conditions of the insurance policy. The Insurance Company has specifically contended that it is not liable to pay compensation in respect of a labourer under the said policy.
7. The learned Commissioner, after recording evidence led by the parties and upon hearing them, vide impugned judgment dated 29.01.2018, allowed the claim petition and awarded a sum of Rs. 5,00,332/- along with interest 12% from the date of accident, as compensation to the claimants under Employees' Compensation Act. The learned Commissioner held that the deceased, Devanand Dhruv, aged 22 years, was employed as an agricultural labourer under Non-Applicant No. 1, Vikram Singh Diwan, and that on 25.05.2008 he died due to injuries sustained in an accident arising out of and in the course of his



employment while transporting paddy in Tractor No. CG-06-A-6662 with Trolley No. 6663. It was further held that the vehicle was duly insured with Non-Applicant No. 2 under a valid policy covering the date of accident, and in the absence of any proof of breach of policy conditions, the Insurance Company was liable to indemnify the insured and satisfy the award. The monthly wages of the deceased were determined at Rs. 4,500/- and, applying the relevant factor of 222.37 for the age of 22 years, 50% of the wages (Rs. 2,250/-) was multiplied to assess compensation at Rs. 5,00,332/-. Accordingly, the Commissioner directed Non-Applicant No. 2 to deposit Rs. 5,00,332/- as compensation along with interest @ 12% per annum from the date of accident, i.e., 25.05.2008, within one month from the date of the order

8. Being aggrieved by the Order passed by the learned Tribunal, Non-Applicant No. 2 Insurance Company has preferred the present appeal before this Court.
9. Learned counsel for the Appellant-Insurance Company submits that the impugned award passed by the learned Commissioner is contrary to law and facts on record, as the liability has been wrongly fastened upon the Appellant despite



there being no coverage of a labourer under the insurance policy. It is contended that no additional premium was paid for covering the risk of a labourer and that the policy covered only the tractor and one employee, namely the driver; the trolley was not separately insured. In the present case, the deceased, being a labourer, allegedly fell from the trolley and came under its wheel, and therefore the risk was outside the scope of the policy coverage. It is further argued that the learned Commissioner failed to properly appreciate and construe the terms and conditions of the insurance policy and erroneously saddled the Appellant with indemnity liability. The Appellant also assails the award of interest at the rate of 12% per annum from the date of accident, i.e., 25.05.2008, as being legally unsustainable. Accordingly, the following substantial questions of law are said to arise for consideration: (i) whether the Commissioner was justified in fastening liability upon the Appellant when no premium was paid to cover the risk of the deceased labourer and the trolley was not insured; and (ii) whether the award of interest at 12% per annum from the date of accident is in accordance with law.



10. I have heard learned counsel for the appellant and perused the documents.
11. Upon re-appreciation of the entire evidence on record and considering the submissions advanced on behalf of the appellant-Insurance Company, this Court finds no illegality or perversity in the findings recorded by the learned Commissioner. The evidence of Man Singh Dhruv and independent witness Khemraj Diwan, duly supported by documentary exhibits including the FIR, Final Report and Postmortem Report, clearly establishes that the deceased Devanand Dhruv was employed as an agricultural labourer under Non-Applicant No. 1 and that the accident dated 25.05.2008 occurred during the course and arising out of his employment while transporting paddy in the insured tractor and trolley. The employer himself admitted the relationship of employment, wages of Rs. 4,500/- per month and existence of a valid insurance policy covering the relevant period. The Insurance Company failed to adduce any cogent evidence to prove breach of policy conditions or to substantiate its plea that the risk of labourer was not covered or that the vehicle was being used for commercial purpose. In absence of such



proof, the Commissioner rightly fastened indemnity liability upon the insurer. The computation of compensation at Rs. 5,00,332/- is in accordance with the provisions of the Employees' Compensation Act, and the award of interest @ 12% per annum from the date of accident is also in consonance with the statutory mandate.

12. Accordingly, the substantial question of law framed in this Appeal is answered in favour of the applicant No. 1 and applicant no. 2 (respondent No.1 & 2 herein) and against the non-applicant No. 2/appellant herein.
13. Accordingly, this Court finds no infirmity in the impugned award warranting interference in exercise of appellate jurisdiction under Section 30 of the Employees' Compensation Act.
14. In view of the foregoing discussion and findings, this Court finds no merit in the present appeal. Accordingly, the same is liable to be and is hereby dismissed at the motion stage itself.

Sd/-

**(Bibhu Datta Guru)**  
**Judge**