



NAFR

HIGH COURT OF CHHATTISGARH AT BILASPUR

MAC No. 45 of 2017

Judgment Reserved on : 20/03/2026

Judgment Delivered on :02/04/2026

1 - Rajendra Prasad Sahu, S/o Bachchalal Sahu, Aged About 35 Years,

2 - Mahendra Kumar Sahu S/o Bachachalal Sahu, Aged About 27 Years,

Both are R/o Banjaridand Majhapara, Thana and Tahsil Khadgawa, Distt.

Koriya, Chhattisgarh,(Non Applicant No. 1 and 2,)

... Appellants

versus

1 - Mohan Lal S/o Late Birjoram, Aged About 35 Years, R/o Village

Akharadand, Thana and Tahsil Khadgawa, Distt. Koriya,

Chhattisgarh,Claimant,

2 - The Bajaj Alliance General Insurance Company Limited, Through Its

Branch Manager, Branch Office Shiv Mohan Vidhansabha Road, Pandri

Distt. Raipur, Chhattisgarh,Insurer,

... Respondents

For Appellants	: Ms. Bhavika Kotecha, Advocate on behalf of Mr. Parag Kotecha, Advocate
For Respondent No.2	: Mr. Sangeet Kumar Kushwaha, Advocate

Hon'ble Shri Justice Radhakishan Agrawal

CAV Judgment

1. This appeal has been filed by the appellant/owner and driver under Section 173 of the Motor Vehicles Act, 1988 against the award dated

22.10.2016 passed by the learned First Additional Motor Accident Claims Tribunal, Manendragarh, District – Koriya, (C.G.) in Motor Accidents Claim Case No.118/2014, whereby the Tribunal awarded total compensation of Rs. 2,60,000/- with interest @ 7 %, fastening the liability upon the Non-Applicants No.1 & 2 jointly and severally while exonerating the insurance company from its liability.

2. As per averments made in the claim petition, on 13.03.2011 deceased Sahil, aged about 6 years, who was studying in Anganwadi at village Banjaridand, died in an accident caused by non-applicant No.1 while driving pickup vehicle No. MP-18-GA-0458 (hereinafter referred to as 'the offending vehicle') in a rash and negligent manner. At the time of accident, the offending vehicle was owned by Non-applicant No.2 – Mahendra Kumar Sahu and insured with Non-applicant No.3 – Bajaj Alliance General Insurance Company Limited.
3. Upon the claim petition being filed by the claimants under Section 166 of the Motor Vehicles Act seeking compensation to the tune of Rs. 20,25,000/-. The learned Claims Tribunal, after considering the evidence adduced by the parties, passed the award as mentioned in paragraph 1 of this judgment.
4. Learned counsel for the appellants/ owner and driver of the offending vehicle, submits that the impugned award passed by the learned Claims Tribunal, fastening liability upon the appellants / owner and driver without proper appreciation of the evidence and material available on record, is erroneous and unsustainable in law. She further submits that the offending vehicle was duly insured with Non-Applicant No.3/Insurance Company on the date of the accident and

the same is evident from the insurance policy (Ex.D3C) wherein the period of effective insurance policy is mentioned from 00:00 hours of 13.03.2011 to mid-night of 12.03.2012, whereas the accident occurred at 07:30 AM on 13.03.2011, which clearly shows that the offending vehicle was duly insured. In addition, as per the insurance policy, the sitting capacity of the offending vehicle is 3 persons and for which premium has also been received by the non-applicant No.3-insurance company and the said fact is evident from the statement of Rishabh Pandey (NAW-3). In view of the above, it is argued that the appellants cannot be held liable to pay the compensation. Accordingly, the impugned award passed by the learned Tribunal deserves to be set aside, and the appellants ought to be exonerated from all liability.

5. Learned counsel for Respondent No. 3/Insurance Company supports the impugned award and submits that, although the insurance policy was issued in favour of the owner of the offending vehicle, but material fact was suppressed by the owner at the time of obtaining the policy particularly with regard to the expiry date of the previous insurance policy. He further submits that, as per the previous insurance policy issued by the Oriental Insurance Company (Ex. NA3-2C), the date of expiry is recorded as 18.10.2010. However, in the policy issued by Bajaj Allianz General Insurance Company Ltd. (Ex. D3C), the expiry date of the previous policy is shown as 12.03.2011. This discrepancy clearly indicates suppression and misrepresentation of material facts by the owner of the offending vehicle. In light of the above, it is submitted that the learned Tribunal

has rightly fastened the liability upon the owner and driver of the offending vehicle.

6. Heard learned counsel for the parties and perused the material available on record.
7. The question that arises for consideration is whether the learned Claims Tribunal was justified in fastening the liability upon the owner and driver of the offending vehicle.
8. It is not in dispute that on 13.03.2011, the deceased boy, aged about 6 years, died in the said accident due to rash and negligent driving by the driver of the offending vehicle (non-applicant No.1), owned by non-applicant No.2. With regard to the insurance of the offending vehicle is concerned, non-applicant No.3 has examined Rishabh Pandey, Law Officer, on its behalf, who has specifically admitted that insurance policy (Ex.NA3(3)) was issued from their office in the name of Mahendra Sahu/non-applicant No.2 (owner of the offending vehicle), and its validity was from 13.03.2011 to 12.03.2012. He further admitted that an insurance policy is issued after receipt of premium, whether paid in cash or through an agent, and also admitted that the premium in respect of Ex. NA3(3) had been duly deposited. Thus, from the evidence of Rishabh Pandey (NAW-3), it is evident that on the date and time of accident, the offending vehicle was insured with the insurance company (Non-Applicant No.3).
9. With regard to the contention raised by Non-Applicant No. 3/Insurance Company (Respondent No.2 herein) that a material fact was suppressed by the owner of the offending vehicle at the time of

obtaining the insurance policy, particularly with regard to the expiry date of the previous insurance policy, a bare perusal of the previous insurance policy (No. 193300/31/2010/6735) issued by the Oriental Insurance Company (Ex. NA3-2C) reveals that the date of expiry is recorded as 18.10.2010. This fact is further corroborated by the testimony of Manish Kumar Verma (NAW1-1), Office Assistant, Oriental Insurance Company Ltd. On the contrary, in the policy issued by Non-Applicant No. 3/Bajaj Allianz General Insurance Company Ltd. (Ex. D3C), the expiry date of the previous policy is mentioned as 12.03.2011. However, from the evidence available on record, no signed document or declaration of the insured/owner has been produced by Non-Applicant No. 3/Insurance Company to establish that incorrect information regarding the expiry date of the previous policy was furnished by the owner of the offending vehicle. Therefore, Respondent No.2/Insurance Company has failed to prove that any material fact regarding the expiry date of previous insurance policy was suppressed by the insured/owner of the offending vehicle. Thus, in view of the above, this Court is of the opinion that the learned Tribunal erred in fastening liability upon the owner and driver of the offending vehicle (the appellants herein). Accordingly, it is held that Non-Applicant No. 3/Insurance Company (Respondent No.2 herein) is liable to pay the compensation to the claimants.

10. Consequently, the Insurance Company/Non-Applicant No.3 (Respondent No.2 herein) is liable to indemnify and pay the compensation to the claimants as awarded by the Tribunal, and the

owner and driver of the offending vehicle stand exonerated from the liability. Rest of the conditions of impugned award shall remain intact.

11.In the result, the appeal is allowed. No order as to costs.

**Sd/-
(Radhakishan Agrawal)
Judge**

Prakash