



2026:CGHC:17769

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## HIGH COURT OF CHHATTISGARH AT BILASPUR

MAC No. 928 of 2020

- The New India Assurance Company Limited, Branch Office Ghadi Chowk, Raipur, Police Station, Tahsil And District Raipur Chhattisgarh Present Address Banaras Road, Near Ambika Petrol Pump, Police Station And Tahsil Ambikapur, District Surguja Chhattisgarh.

--- Appellant

versus

1. Smt. Sudhari Bai W/o Balindar, Aged About 59 Years, R/o Village Kasra (Bhainsamuda) Police Station Patna, Tahsil Baikunthpur, District Korea Chhattisgarh.
2. Balindar (Died And Deleted) As Per Hon'ble Court Order Dated 27-11-2025.
3. Ramnandan Prasad S/o Late Pudeni Prasad, Aged About 62 Years, Occupation Driver , R/o Village Bedoli, Police Station Bhagwanganj, District Patna (Bihar), Present R/o New Mass Sawana Raipura, Police Station And Tahsil Raipur, District Raipur, Chhattisgarh.
4. Baijanti Devi Through Janki Roadlines, Transport Nagar Bilaspur Road Ranwabhat, Raipur, District Raipur Chhattisgarh.

--- Respondents

|                     |                                    |
|---------------------|------------------------------------|
| For Appellant       | :- Mr. Dashrath Gupta, Advocate.   |
| For Respondent No.1 | :- Mr. C. Jayant K. Rao, Advocate. |

**MAC No. 978 of 2020**

- The New India Assurance Company Limited, Branch Office - Ghadi Chowk, Raipur, Police Station Tahsil And District Raipur Chhattisgarh. Present Address - Banaras Road, Near Ambika Petrol Pump, Police Station And Tahsil Ambikapur, District - Surguja Chhattisgarh.

**--- Appellant****Versus**

1. Bhagmaniya, W/o Ramesh, Aged About 51 Years;
2. Ku. Ravina, D/o Late Ramesh, Aged About 16 Years Minor, Through Her Mother Bhagmaniya, Wd/o Late Ramesh (Respondent No. 1), Both are R/o Village - Ashola, Police Station And Tahsil - Ambikapur, District Surguja Chhattisgarh.
3. Ramnandan Prasad, S/o Late Fudesh Prasad, Aged About 41 Years, Occupation - Driver, R/o Village Beduli, Police Station And Tahsil - Masturi District Bilaspur Chhattisgarh.
4. Baijanti Devi, D/o Lalan Kumar, Aged About 43 Years, Occupation Transporter, R/o C/o Janki Roadlines, Transport Nagar Bilaspur Road Ravatbhata Raipur, District - Raipur Chhattisgarh. (Owner).

**--- Respondents**

|                |                                  |
|----------------|----------------------------------|
| For Appellant  | :- Mr. Dashrath Gupta, Advocate. |
| For Respondent | :- None.                         |

**SB- Hon'ble Shri Justice Sanjay K. Agrawal****Judgment On Board****20.04.2026**

1. Since the common question of law and facts is involved in the present two cases and they have arisen out of common accident, though different claim cases, they have been clubbed together, heard together and are being disposed of by this common judgment.

2. These appeals under Section 173 of the Motor Vehicles Act, 1988 (for short “Act of 1988”) have been preferred by the Insurance Company against the impugned awards dated 13.01.2020 passed by the 1<sup>st</sup> Additional Motor Accident Claims Tribunal, Ambikapur, District Surguja, Chhattisgarh (for short “Claims Tribunal”) in Claim Cases No.186/2018 & 123/2018, respectively, whereby Claims Tribunal allowed the claimants’ application and granted compensation to the claimants along with the interest.
3. Mr. Dashrath Gupta, learned counsel for the Insurance Company, would submit that though the offending vehicle was having the national permit on the date of accident but, did not have the authorization under Rule 87(3) of the Central Motor Vehicles Rules, 1989 (for short “Rules, 1989”) and, therefore, the Insurance Company may be exonerated to pay compensation to the claimants.
4. Mr. C. Jayant K. Rao, learned counsel for the respondent/claimant in MAC No.928 of 2020, would oppose the prayer made by learned counsel for the Insurance Company and submit that since the offending vehicle was registered in the State of Chhattisgarh and the accident occurred within the State of Chhattisgarh, authorization under Rule 87(3) of the Rules of 1989 is not required. Therefore, appeal of the Insurance Company deserves to be dismissed.
5. None for the claimants in MAC No. 978 of 2020, though served.

6. I have heard learned counsel for the parties, considered their rival submissions made herein above and gone through the records precisely.
7. True, it is that the national permit did not have an authorization as required under Rule 87(3) of the Rules, 1989, but the Supreme Court in the matter of Shri Binod Kumar Singh v. National Insurance Company Ltd.<sup>1</sup> has clearly held that authorization fee was required to be paid only when offending vehicle was moving out side the State and held in paragraph 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.”

8. Coming to the facts of the present two cases in light of the principles of law laid down by the Supreme Court in the aforesaid decision, since the offending vehicle in the present cases holding national permit was moving in the State of Chhattisgarh itself and accident

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<sup>1</sup> SLP (Civil) No.13060 of 2020

occurred in the State of Chhattisgarh, the authorization under Rule 87(3) of the Rules, 1989 was not required. As such, the appeals of the Insurance Company deserve to be and is hereby dismissed.

9. Also heard on Cross Objection filed by the claimants in MAC No. 928 of 2020.

10. Mr. C. Jayant K. Rao, learned counsel for the claimant, would submit that the Claims Tribunal erred in assessing the monthly income of deceased – Bhanu Pratap to the tune of ₹4,500/- which should be 6,000/- per month as per Chhattisgarh Minimum Wages Notification issued by the office of the Labour Commissioner, Chhattisgarh. Furthermore, under the heads of consortium, funeral expenses and loss of estate less amount has been awarded by the Claims Tribunal which is liable to be enhanced. Therefore, the cross objection of the claimant deserves to be allowed and the amount may suitably be enhanced.

11. Mr. Dashrath Gupta, learned counsel for the Insurance Company, would oppose the prayer made by learned counsel for the claimant and submit that the compensation amount awarded by the Claims Tribunal is just and proper which does not call for interference.

12. The Claims Tribunal assessed the monthly income of deceased to be ₹4,500/- however, in the opinion of this Court, as per the

Chhattisgarh Minimum Wages Notification issued by the office of Labour Commissioner, Chhattisgarh, the monthly income of the deceased should be ₹6,000/- (as per minimum wages prescribed at relevant time) and ₹72,000/- per annum. Furthermore, the Claims Tribunal has awarded less amount under the heads of consortium, loss of estate, funeral expenses which is liable to be enhanced.

13. Thus, in light of the aforesaid discussion and in light of the judgments of the Supreme Court rendered in the matters of National Insurance Company Ltd. V. Pranay Sethi<sup>2</sup>, Sarla Verma & Ors. Vs. Delhi Transport Corporation & Ors<sup>3</sup> and Magma General Insurance Co. Ltd. v. Nanu Ram @ Chuhru Ram & Ors<sup>4</sup>, this Court is computing the compensation as below:-

| Sr. No. | Heads            | Compensation awarded by the Tribunal                     | Compensation awarded by this Court                       |
|---------|------------------|----------------------------------------------------------|----------------------------------------------------------|
| 1.      | Income           | ₹4,500x12 = ₹54,000/-                                    | ₹6,000x12 = ₹72,000/-                                    |
| 2.      | Future Prospect  | (+) 40% = 21,600/-<br>Total=₹54,000+21,600= ₹75,600/-    | (+) 40% =28,800/-<br>Total=₹72,000+28,800= ₹1,00,800/-   |
| 3.      | Multiplier       | (x) 18 = ₹13,60,800/-                                    | (x) 18 = ₹18,14,400/-                                    |
| 4.      | Deduction        | (-) ½ = ₹6,80,400/-;<br>₹13,60,800-6,80,400= ₹6,80,400/- | (-) ½ = ₹9,07,200/-;<br>₹18,14,400-9,07,200= ₹9,07,200/- |
| 5.      | Loss of Estate   | ₹15,000/-                                                | ₹18,000/-                                                |
| 6.      | Funeral Expenses | ₹15,000/-                                                | ₹18,000/-                                                |

2 (2017) 16 SCC 680

3 (2009) 6 SCC 121

4 (2018) 18 SCC 130

|    |              |                    |                    |
|----|--------------|--------------------|--------------------|
| 7. | Consortium   | ₹40,000/-          | ₹48,000/-          |
| 8. | <b>Total</b> | <b>₹7,50,400/-</b> | <b>₹9,91,200/-</b> |

14. In view of the aforesaid analysis, the amount of compensation of **₹7,50,400/-** awarded by the Claims Tribunal in MAC No. 928 of 2020 is enhanced to **₹9,91,200/-**. Hence, after deducting the amount of **₹7,50,400/-**, the claimant is held to be entitled to an additional amount of **₹2,40,800/-**. The concerned respondent is directed to deposit the amount of compensation as enhanced by this Court within a period of three months from the date of receipt of copy of this order. The additional amount of compensation shall carry interest @8% *per annum* from the date of filing of claim application before the Tribunal till its realization. Rest of the conditions of the impugned award shall remain intact.

15. Accordingly, appeals of the Insurance Company are dismissed and the Cross Objection filed by the claimant is allowed and the impugned award in MAC No.928 of 2020 is modified to the extent as indicated herein-above.

Sd/-  
(Sanjay K. Agrawal)  
Judge

Ankit