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HIGH COURT OF CHHATTISGARH AT BILASPUR
MAC No. 1127 of 2023

1 - The New India Assurance Company Limited, (Wrongly Mentioned Insurance) Branch Ambedkar Chowk Above Union Bank Baloda Bazar Through Authorized Signatory Manager, T.P Claim Hub, 2nd Floor Rama Trade Center Above Axis Bank, Opposite Rajiv Plaza, Old Bus Stand Road Bilaspur Chhattisgarh.

... Appellant(s)**versus**

1 - Lalita Dhruv D/o Kashiram Dhruv, Aged About 25 Years, R/o K.K Ward Behind Shivilal Mehta School Bhatapara, P.S. Bhatapara, (City) District Balodabazar - Bhatapara Chhattisgarh.

2 - Raghunandan Dhruv S/o Kashiram Dhruv, Aged About 23 Years, R/o K.K Ward Behind Shivilal Mehta School Bhatapara, P.S. Bhatapara, (City) District Balodabazar - Bhatapara Chhattisgarh.

3 - Manoj Dhruv S/o Kashiram Dhruv, Aged About 21 Years, R/o K.K Ward Behind Shivilal Mehta School Bhatapara, P.S. Bhatapara, (City) District Balodabazar - Bhatapara Chhattisgarh.

4 - Manju Dhruv D/o Kashiram Dhruv, Aged About 19 Years, R/o K.K Ward Behind Shivilal Mehta School Bhatapara, P.S. Bhatapara, (City) District Balodabazar - Bhatapara Chhattisgarh.

5 - Shivnandan Dhruv S/o Kashiram Dhruv, Aged About 20 Years, R/o K.K Ward Behind Shivilal Mehta School Bhatapara, P.S. Bhatapara, (City) District Balodabazar - Bhatapara Chhattisgarh.

6 - Minor Rahul Dhruv S/o Kashiram Dhruv, Aged About 15 Years, Through Natural Gaurdian Father Kashiram Res No. 7r/o K.K Ward Behind Shivilal Mehta School Bhatapara, P.S. Bhatapara, (City) District Balodabazar - Bhatapara Chhattisgarh.

7 - Kashiram Dhruv S/o Sahasram, Aged About 50 Years, R/o K.K Ward Behind Shivilal Mehta School Bhatapara, P.S. Bhatapara, (City) District Balodabazar - Bhatapara Chhattisgarh.

8 - Itwari Nishad S/o Devesingh Nishad, Aged About 45 Years, R/o Badiyadih (Mankudip) P.S.-Sargaon District Mugeli, Chhattisgarh.

... Respondent(s)

For Appellant	: Mr. B.N. Nande, Advocate
For Respondents	: None

Hon'ble Shri Justice Sanjay Kumar Jaiswal

Judgment on Board

(05.10.2026)

1. This appeal under Section 173 of the Motor Vehicles Act, 1988 (for short the "Act of 1988") has been preferred by the appellant/Insurance company challenging the impugned award dated 28.02.2023 passed in Motor Accident Claims Case No. 29/2019, whereby the learned Claims Tribunal has awarded a total sum of Rs.10,78,000/- as compensation under Section 166 of the Act of 1988 to the claimants for the death of Sumitra Bai who died in a road accident which took place on 14.01.2019, and directed the appellant/Insurance company to first pay the award amount and then to recover the same from respondent No.5.
2. Learned counsel for the appellant/Insurance Company submits that that the learned Tribunal, having recorded a categorical finding that the driver of the offending motorcycle was not holding a valid and effective driving license at the time of accident and that there was a breach of the terms and conditions of the insurance policy, erred in directing the Appellant/Insurance Company to first satisfy the award and

thereafter recover the amount from the owner and driver. He further submits that once the breach of the policy conditions stood established, the Appellant was liable to be completely exonerated from its liability to pay compensation, and the entire liability ought to have been fastened upon the owner and driver of the offending vehicle. Thus, the direction of "pay and recover" in the facts of the present case is contrary to law and, therefore, deserves to be set aside.

3. None for the Respondents.
4. I have heard learned counsel for the parties, considered their rival submissions made herein-above and went through the records with utmost circumspection.
5. In the case at hand, it is true that the learned Claims Tribunal recorded a finding regarding breach of the policy conditions on the ground that at the time of the accident, the driver, namely, Itwari Nishad, was not in possession of a valid and effective driving license to drive the offending vehicle. However, while considering the said breach, the learned Tribunal has rightly found that the offending vehicle was insured with the Appellant/Insurance Company and directed the Insurance Company to satisfy the award amount at the first instance with liberty to recover the same from the owner and driver of the offending vehicle. In view of the settled legal position laid down by the Hon'ble Supreme Court in the case of **Rama Bai Vs. Amit Minerals through Incharge Officer/ Competent Officer and Another.**¹, the direction of "pay and recover" issued by the

1 2025 SCC OnLine SC 2067

learned Claims Tribunal does not call for any interference. The Insurance Company has failed to make out any ground warranting interference with the impugned award. Accordingly, the appeal preferred by the Insurance Company, being devoid of merit, deserves to be dismissed and is hereby **dismissed**.

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

Sd/-

(Sanjay Kumar Jaiswal)
Judge

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