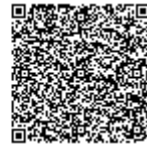


2026:PHHC:100650



IN THE HIGH COURT OF PUNJAB AND HARYANA AT
CHANDIGARH

246

FAO-5915-2002

Date of decision :22.07.2026

SHOKAT ALI AND ANOTHER

... APPELLANTS

VERSUS

MUSATKIN AND OTHERS

...RESPONDENTS

CORAM: HON'BLE MR. JUSTICE PARMOD GOYAL

Present: Ms. Lipika, Advocate
for the appellants.

Mr. Gopal Mittal, Advocate (through V.C.)
for the respondent-Insurance Company.

PARMOD GOYAL, J. (ORAL)

1. Present appeal has been preferred by appellants-claimants seeking enhancement of compensation amounting to Rs. 55,000/- granted vide award dated 12.10.2002 passed by Motor Accidents Claims Tribunal, Yamuna Nagar at Jagadhari (hereinafter referred to as '**Tribunal**'). Appellant-claimants are parents of the deceased Abdul Rahim (hereinafter referred to as '**deceased**'), who had preferred claim petition on account of untimely death of deceased in motor vehicular accident dated 22.08.2001, caused by tractor-trolley bearing registration No. UTJ-8534 driven by respondent No. 1.

2. The petition was preferred under Section 163-A of Motor Vehicles Act, 1988 (hereinafter referred to as '**1988 Act**'). Learned Tribunal had allowed the petition and granted an amount of Rs.55,000/- as compensation. Since in

quantum of compensation and no appeal or cross objection has been preferred by any of the respondents, therefore, the detailed facts as regards to manner of accident are not being noticed herein for the sake of brevity.

3. The sole ground raised by learned counsel for appellants-claimants for seeking enhancement of compensation is that in view of amendment in Section 164 of 1988 Act, appellants-claimants are entitled to lumpsum compensation under Section 164 of 1988 Act as provisions of Section 163-A of 1988 Act have been omitted and replaced by Section 164 setting fixed no-fault payout/compensation of Rs.5,00,000/- (Rupees Five Lakhs only) for death.

4. On the other hand, learned counsel for respondent No.1-Insurance Company has argued that rights of appellants-claimants had crystallized on the date of accident and provisions applicable on date of accident only needs to be taken into consideration. It is further submitted that subsequent developments would not alter the rights and liabilities of the parties.

5. Facts are not in dispute in present case. Accident had taken place on 22.08.2001. Claim petition was filed under Section 163A of 1988 Act and compensation was also awarded under Section 163-A of 1988 Act. It is also not in dispute that w.e.f. 01.04.2022, amended Section 164 of 1988 Act came in force, whereby a fix amount of Rs.5,00,000/- for no fault liability was made effective. The only question which requires adjudication is whether the amended Section 164 of 1988 Act would be applicable as to grant compensation of Rs.5,00,000/- in case wherein accident had taken place prior to 01.04.2022.

6. The above noted issue is not *res integra*. Hon'ble Supreme Court in **Roopa Vs. The Manager, Orix Auto Infrastructure Service Ltd. and Anr.**, Civil Appeal No.6797 of 2026 decided on 27.04.2026; **The New India**

Assurance Co. Ltd. Vs. Urmila Halder, 2025 ACJ 244; and **K.R. Jagadish and Anr. Vs. M/s. National Insurance Company Ltd. And Anr.**, 2025 ACJ 188 has dealt this very issue and has concluded that since 1988 Act is beneficial legislation and amendment under Section 164 is procedural in nature, therefore, the compensation as amended under Section 164 can be awarded to appellants-claimants who had filed their petition under Section 163-A in accident which had occurred prior to 01.04.2022. In view of authoritative pronouncement by Hon’ble Supreme Court, it is clearly made out that Section 164 of 1988 Act being procedural amendment would be retrospective in nature and appellants-claimants would be entitled to receive compensation amended therein.

7. Appeal is accordingly allowed. It is held that appellants-claimants are entitled to Rs.5,00,000/- as compensation. The same be paid after adjusting amount already awarded and paid. The enhanced compensation shall be payable along with interest @ 6% per annum from the date of filing of claim petition till its realization as was awarded by Hon’ble Supreme Court in case titled **K.R. Jagadish and Anr. Vs. M/s. National Insurance Company Ltd. And Anr. (supra)**. Apportionment and liability to pay compensation shall be as per award.

8. Pending miscellaneous application(s), if any, also stand(s) disposed of accordingly.

22.07.2026
manoj

(PARMOD GOYAL)
JUDGE

Whether speaking/reasoned	Yes
Whether reportable	Yes/No