

**IN THE HIGH COURT OF PUNJAB AND HARYANA AT
CHANDIGARH**

**FAO No.1139 of 1993 (O&M)
Date of Decision: May 18, 2017**

Balbir Kaur and others

..Appellant(s)

Versus

Ajmer Singh and others

...Respondent(s)

CORAM: HON'BLE MRS. JUSTICE ANITA CHAUDHRY

Present: Mr. Y.P. Khullar, Advocate and
Mr. Rishav Jain, Advocate (Amicus Curiae)
for the appellants.

Mr. M.S. Natyal, Addl. A.G. Punjab.

ANITA CHAUDHRY, J.

This is the claimants' appeal seeking enhancement in the award dated 06.01.1993, passed by the Motor Accident Claims Tribunal, Ludhiana.

Iqbal was 30 years old. He met with an accident on 14.12.1991 and died on 18.12.1991. The Tribunal accepted the salary certificate where his income was shown as Rs.1,600/- per month. Making a deduction of Rs.400/- towards personal expenses, the annual dependency was taken at Rs.1,200/- per month. Applying the multiplier of 12 the amount of compensation was calculated at Rs.14,440/-. The Tribunal applied the multiplier of 20 and calculated

the compensation to Rs.2,88,000/-. A sum of Rs.8,700/- was added for the medical bills and Rs.3,000/- was added as funeral expenses and an award of Rs.2,99,700/- was passed.

The submission on behalf of the appellants is that the amount allowed for the funeral expenses was on the lower side and Iqbal remained admitted in the hospital for three days and no amount had been allowed for the attendant and for the special diet. It was urged that the Tribunal had failed to allow any amount for loss of consortium, loss of love & affection for the children and an addition should be made for future prospects as the deceased was on a permanent job.

The submission on the other hand was that there was no evidence that the deceased was on a permanent job and only a certificate was placed on record which merely certified that he had worked for the concern and it is on a letterhead and no appointment letter had been produced on record to show that his job was permanent. It was urged that issue regarding addition towards future prospects was pending before the Larger Bench. It was urged that the multiplier applied was on the higher side and if that deduction is made then the amount which has been given over and above that can be adjusted towards other heads.

In the case *Reshma Kumari v. Madan Mohan (2013) 9 SCC 65* the three Judge Bench of Supreme Court reiterated the view taken in *Sarla Verma v. DTC, (2009) 6 SCC 121* to the effect that in respect of a person who was on a fixed salary without provision for

annual increments or who was self-employed the actual income at the time of death should be taken into account for determining the loss of income unless there are extraordinary and exceptional circumstances.

Further, the divergence of opinion in *Reshma Kumari & Ors. v. Madan Mohan & Anr.*, (2013) 9 SCC 65 and *Rajesh & Ors. v. Rajbir Singh & Ors.*, (2013) 9 SCC 54 was noticed by the Supreme Court in another judgment in *National Insurance Company Ltd. v. Pushpa & Ors.*, CC No.8058/2014, decided on 02.07.2014 and in concluding paragraph while making reference to the Larger Bench, it was observed as under:-

"Be it noted, though the decision in Reshma (supra) was rendered at earlier point of time, as is clear, the same has not been noticed in Rajesh (supra) and that is why divergent opinions have been expressed. We are of the considered opinion that as regards the manner of addition of income of future prospects there should be an authoritative pronouncement. Therefore, we think it appropriate to refer the matter to a larger Bench."

Para nos. 27 and 28 of *Union of India and Anr. V. Raghubir Singh (dead) by Lrs. Etc.* [(1989) 2 SCC 754], reproduced in para no.17 of *Safiya Bee v. Mohd. Vajahath Hussain @ Fasi*, (2011) 2 SCC 94 is relevant and is reproduced for ready reference:-

"27. What then should be the position in regard to the effect of the law pronounced by a Division Bench in relation to a case realizing the same point subsequently before a Division Bench of a smaller number of Judges? There is no constitutional or statutory prescription in the matter, and the point is governed entirely by the practice in India of the courts sanctified by repeated affirmation over a century of time. It

cannot be doubted that in order to promote consistency and certainty in the law laid down by a superior Court, the ideal condition would be that the entire Court should sit in all cases to decide questions of law, and for that reason the Supreme Court of the United States does so. But having regard to the volume of work demanding the attention of the Court, it has been found necessary in India as a general rule of practice and convenience that the Court should sit in Divisions, each Division being constituted of Judges whose number may be determined by the exigencies of judicial need, by the nature of the case including any statutory mandate relative thereto, and by such other considerations which the Chief Justice, in whom such authority devolves by convention, may find most appropriate. It is in order to guard against the possibility of inconsistent decisions on points of law by different Division Benches that the rule has been evolved, in order to promote consistency and certainty in the development of the law and its contemporary status, that the statement of the law by a Division Bench is considered binding on a Division Bench of the same or lesser number of Judges. This principle has been followed in India by several generations of Judges. We may refer to a few of the recent cases on the point. In [John Martin v. State of West Bengal](#), (1975) 3 SCC 836, a Division Bench of three Judges found it right to follow the law declared in [Haradhan Saha v. State of West Bengal](#), (1975) 3 SCC 198, decided by a Division Bench of five Judges, in preference to [Bhut Nath Mate v. State of West Bengal](#), (1974) 1 SCC 645 decided by a Division Bench of two Judges. Again in [Indira Nehru Gandhi v. Raj Narain](#), 1975 Supp. SCC 1, Beg J held that the Constitution Bench of five Judges was bound by the Constitution Bench of thirteen Judges in [Kesavananda Bharati v. State of Kerala](#), (1973) 4 SCC 225. In [Ganapati Sitaram Balvalkar v. Waman Shripad Mage](#), (1981) 4 SCC 143, this Court expressly stated that the view taken on a point of law by a Division Bench of four Judges of this Court was binding on a Division Bench of three Judges of the Court. And in [Mattulal v. Radhe Lal](#), (1974) 2 SCC 365, this Court specifically observed that where the view expressed by two different Division Benches of this Court could not be reconciled, the pronouncement of a Division Bench of a larger number of Judges had to be preferred over the decision of a Division Bench of a smaller number of Judges. This Court also laid down in [Acharya Maharajshri Narandraprasadji Anandprasadji Maharaj v. State of Gujarat](#), (1975) 1 SCC 11 that even

where the strength of two differing Division Benches consisted of the same number of Judges, it was not open to one Division Bench to decide the correctness or otherwise of the views of the other. The principle was reaffirmed in [Union of India v. Godfrey Philips India Ltd.](#), (1985) 4 SCC 369 which noted that a Division Bench of two Judges of this Court in [Jit Ram Shiv Kumar v. State of Haryana](#), (1981) 1 SCC 11 had differed from the view taken by an earlier Division Bench of two Judges in [Motilal Padampat Sugar Mills v. State of U.P.](#), (1979) 2 SCC 409 on the point whether the doctrine of promissory estoppel could be defeated by invoking the defence of executive necessity, and holding that to do so was wholly unacceptable reference was made to the well accepted and desirable practice of the later bench referring the case to a larger Bench when the learned Judges found that the situation called for such reference.

28. *We are of opinion that a pronouncement of law by a Division Bench of this Court is binding on a Division Bench of the same or a smaller number of Judges, and in order that such decision be binding, it is not necessary that it should be a decision rendered by the Full Court or a Constitution Bench of the Court....."*

In [Central Board of Dawoodi Bohra Community and Anr. V. State of Maharashtra & Anr.](#) [(2005) 2 SCC 673], (para 12), a Constitution Bench of this Court summed up the legal position in the following terms :

"(1) The law laid down by this Court in a decision delivered by a Bench of larger strength is binding on any subsequent Bench of lesser or co-equal strength.

(2) A Bench of lesser quorum cannot disagree or dissent from the view of the law taken by a Bench of larger quorum. In case of doubt all that the Bench of lesser quorum can do is to invite the attention of the Chief Justice and request for the matter being placed for hearing before a Bench of larger quorum than the Bench whose decision has come up for consideration. It will be open only for a Bench of co-equal strength to express an opinion doubting the correctness of the view taken by the earlier Bench of co-equal strength, whereupon the matter may be placed for hearing before a Bench consisting of a quorum larger than the one which pronounced the decision laying down the law the correctness of which is doubted.

(3) The above rules are subject to two exceptions :

(i) The above said rules do not bind the discretion of the Chief Justice in whom vests the power of framing the roster and who can direct any particular matter to be placed for hearing before any particular Bench of any strength; and

(ii) In spite of the rules laid down hereinabove, if the matter has already come up for hearing before a Bench of larger quorum and that Bench itself feels that the view of the law taken by a Bench of lesser quorum, which view is in doubt, needs correction or reconsideration then by way of exception (and not as a rule) and for reasons given by it, it may proceed to hear the case and examine the correctness of the previous decision in question dispensing with the need of a specific reference or the order of Chief Justice constituting the Bench and such listing."

A Single Bench of Delhi High Court in '*Narinder Bishal And Anr. vs Sh. Rambir Singh and Ors.* decided on 20.2.2008, held that future prospects cannot be added unless there is cogent and convincing evidence and that future prospects had no correlation to the price indexing or inflation.

There are no exceptional or extraordinary circumstances in the case and I do not propose to make any addition for future prospects, even there is no evidence. The matter has been referred to the Larger Bench and it would not be possible for the insurance company to make recoveries.

Taking the income to be Rs.1,600/- per month and considering the fact that the deceased had left behind two minor children and his widow, the deduction should be 1/4th and taking the income to be Rs.1,200/- per month, the compensation would be Rs.1,200/- x 12 x 17 = Rs.2,44,800/-.

The Tribunal had failed to award compensation on number of heads and the following amounts should be allowed:-

Medicines (actual amount)	: Rs.87,000/-
Funeral expenses	: Rs.3,000/-
Loss of consortium	: Rs.25,000/-
Loss of love & affection for the children	: Rs.25,000/-
Attendant	: Rs.1,000/-
Special diet	: Rs.1,000/-
Loss of estate	: Rs.10,000/-
Total	: Rs.1,52,000/-

The total of the above would comes to Rs.3,96,800/-. The Tribunal had allowed Rs.2,99,700/-, which would be deducted and the remaining amount of Rs.97,100/- would be payable to the appellants by the respondents jointly and severally with interest @ 6% from June, 1993 till realization.

The appeal is partly allowed.

(ANITA CHAUDHRY)
JUDGE

May 18, 2017
sunil

Whether speaking/reasoned : Yes/No

Whether reportable : Yes/No