



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

FAO-2174-2019 (O&M)
Date of Decision: 11.12.2025

Mankori Devi and others

....Appellants

V/s

Sudhir and others

....Respondents

CORAM: HON'BLE MR. JUSTICE VIKRAM AGGARWAL

Present: Mr. Neeraj Yadav, Advocate, for the appellants.

Mr. Vinod Gupta, Advocate, for respondent No.3-insurance co.

VIKRAM AGGARWAL, J. (ORAL)

Claimants, who are the widow, three minor sons and the mother of deceased Satbir Singh, who expired in a motor vehicular accident which took place on 02.01.2016, seek enhancement in compensation awarded to them by the Motor Accident Claims Tribunal, Rewari (for short 'the MACT') vide award dated 27.08.2018 passed in a claim petition instituted by them under Section 166 of the Motor Vehicles Act, 1988 (for short 'the MV Act').

3. Satbir Singh is stated to have expired in a motor vehicular accident which took place on 02.01.2016, when he is alleged to have been struck by a motorcycle bearing Regn. No.HR-99-WX(Temp)-6575 (hereinafter referred to as "the offending vehicle"), which was being driven by respondent No.1 (Satbir) at a very high speed and in a rash and negligent manner. It was averred that accident had taken place at CHC Khol, when Satbir Singh was crossing the road. It was averred that Satbir Singh was initially taken to CHC, Khol and later on shifted to Pushpanjali Hospital and was thereafter taken to Paras Hospital, where he was declared brought dead.

Rewari under Sections 279, 304A IPC.

4. Satbir Singh was stated to be 48 years old at the time of the accident and was serving in CHC Khol. His salary was stated to be Rs.28,000/- per month and the appellants-claimants were fully dependent on his income. Accordingly, a sum of Rs.50 lakhs was claimed as compensation.

5. The claim petition was opposed by the respondents. In the written statement filed by respondents No.1 and 2 (driver and owner of the offending vehicle), the factum of the accident was denied.

6. The insurance company raised its usual defences in the written statement and denied the factum of the accident.

7. From the pleadings of the parties, following issues were framed:

- “1. Whether the accident in question had taken place due to rash and negligent driving of motorcycle bearing Regn. No.HR-99-WX(Temp)-6575 by respondent No.1 causing death of Satbir Singh, as alleged? OPP***
- 2. If issue No.1 is proved, to what amount of compensation the claimants are entitled to and from whom?OPP***
- 3. Whether the respondent No.3 is not liable to pay any compensation, in view of the breach of terms and conditions of the policy of insurance?OPR***
- 4. Relief.”***

8. Parties led their respective evidence.

9. Under issue No.1, the MACT found that the accident as a result of which, Satbir Singh had expired, had taken place on account of rash and negligent driving of the offending vehicle by respondent No.1. As regards quantum of compensation, the age of the deceased was assessed as 48 years. His gross salary was assessed as Rs.27,599/- per month. Accordingly, compensation of Rs.41,97,804/- was assessed by the MACT. The legal heirs of the deceased were stated to be getting compassionate financial assistance

under the provisions of Rule 5 of the Haryana Compassionate Assistance to the Dependents of Deceased Government Employees Rules, 2006. As a result, a sum of Rs.20,64,468/- was deducted from Rs.41,97,804/-. As such, the amount was assessed as Rs.21,33,336/-. The following compensation was awarded:-

	Sr. No.	Heads of Claim	
	1.	Age of the deceased	48 years
	2.	Income of the deceased	Rs.27599/- per month
	3.	Future prospects @ 30%	Rs.8279/- per month (Total Income Rs.35,878/-)
	4.	After deducting 1/4 of the income as personal expenses of the deceased (Rs.8969.5/-)	Rs.26,909/- per month Rs.3,22,908/- per annum
	5.	After applying Multiplier of '13'	Rs.3,22,908 x 13 =Rs.41,97,804/-
	6.	Dependency after deduction of financial assistance of Rs.20,64,468/-	Rs.41,97,804 - Rs.20,64,468 = Rs.21,33,336/-
	7.	Expenses incurred on treatment	Rs.50,000 +15146+2100 = Rs.67,246/-
	8.	Loss of consortium	Rs.40000/-
	9.	Funeral Expenses	Rs.15000/-
10.	10.	Loss of Estate	Rs.15000/-
		Total Compensation	Rs.22,70,582/-

I have heard learned counsel for the parties.

11. Learned counsel for the appellants submits that the amount of Rs.20,64,468/- granted under the Haryana Compassionate Assistance to the Dependents of Deceased Government Employees Rules, 2006 to the legal heirs of the deceased was erroneously deducted. It has been submitted that the compensation awarded on account of funeral expenses, loss of estate and consortium is not in accordance with the ratio of law laid by the Hon’ble Supreme Court of India in the case *National Insurance Company Limited vs. Pranay Sethi and others*, (2017)16 SCC 680, *Smt. Sarla Verma and others vs. Delhi Transport Corporation and another*, (2009) 6 SCC 121

Chuhru Ram, (2018) 18 SCC 130.

12. Per contra, learned counsel representing respondent No.-3- insurance company has submitted that deduction of the amount granted as financial assistance under 2006 Rules was rightly done in view of the judgment of the Supreme Court in the case of ***Reliance General Insurance Company Limited vs. Shashi Sharma and others***, 2016 ACJ 2723. In so far as the funeral expenses, loss of estate and consortium is concerned, learned counsel fairly concedes that the same shall have to be enhanced in terms of the judgments of the Apex Court, referred to in the preceding paragraph.

13. Having considered the submissions made by learned counsel for the parties, this Court is of the considered opinion that in so far as the deduction on account of financial assistance is concerned, the same was liable to be made as has been held by the Hon'ble Supreme Court of India in the case of ***Reliance General Insurance Company Limited vs. Shashi Sharma and others vs. Shashi Sharma and others*** (supra);

21. The claimants are legitimately entitled to claim for the loss of "pay and wages" of the deceased Government employee against the tortfeasor or Insurance Company, as the case may be, covered by the first part of Rule 5 under the Act of 1988. The claimants or dependents of the deceased Government employee (employed by State of Haryana), however, cannot set up a claim for the same subject falling under the first part of Rule 5 - "pay and allowances", which are receivable by them from employer (State) under Rule 5 (1) of the Rules of 2006. In that, if the deceased employee was to survive the motor accident injury, would have remained in employment and earned his regular pay and allowances. Any other interpretation of the said Rules would inevitably result in double payment towards the same head of loss of "pay and wages" of the deceased Government employee entailing in grant of bonanza, largesse or source of profit to the dependants / claimants. Somewhat similar situation has been spelt out in Section 167 of the Motor Vehicles Act, 1988, which reads thus:

"167. Option regarding claims for compensation in certain

cases.--- Notwithstanding anything contained in the Workmen's Compensation Act, 1923 (8 of 1923) where the death of, or bodily injury to, any person gives rise to a claim for compensation under this Act and also under the Workmen's Compensation Act, 1923, the person entitled to compensation may without prejudice to the provisions of Chapter X claim such compensation under either of those Acts but not under both." (emphasis supplied)

22. Indeed, similar statutory exclusion of claim receivable under the Rules of 2006 is absent. That, however, does not mean that the Claims Tribunal should remain oblivious to the fact that the claim towards loss of Pay and wages of the deceased has already been or will be compensated by the employer in the form of ex-gratia financial assistance on compassionate grounds under Rule 5 (1). The Claims Tribunal has to adjudicate the claim and determine the amount of compensation which appears to it to be just. The amount receivable by the dependants / claimants towards the head of pay and allowances in the form of ex-gratia financial assistance, therefore, cannot be paid for the second time to the claimants. True it is, that the Rules of 2006 would come into play if the Government employee dies in harness even due to natural death. At the same time, the Rules of 2006 do not expressly enable the dependents of the deceased Government employee to claim similar amount from the tortfeasor or Insurance Company because of the accidental death of the deceased Government employee. The harmonious approach for determining a just compensation payable under the Act of 1988, therefore, is to exclude the amount received or receivable by the dependents of the deceased Government employee under the Rules of 2006 towards the head financial assistance equivalent to "pay and other allowances" that was last drawn by the deceased Government employee in the normal course. This is not to say that the amount or payment receivable by the dependents of the deceased Government employee under Rule 5 (1) of the Rules, is the total entitlement under the head of "loss of income". So far as the claim towards loss of future escalation of income and other benefits, if the deceased Government employee had survived the accident can still be pursued by them in their claim under the Act of 1988. For, it is not covered by the Rules of 2006. Similarly, other benefits extended to the dependents of the deceased Government employee in terms of sub-rule (2) to sub-rule (5) of Rule 5 including family pension, Life Insurance, Provident Fund etc., that must remain unaffected and cannot be allowed to be deducted, which, any way would be paid to the dependents of the deceased Government employee, applying the principle expounded in

Helen C.Rebello and Patricia Jean Mahajan’s cases (supra).

23. A Priori, appellants must succeed only to the extent of amount receivable by the dependents of the deceased Government employee in terms of Rule 5(1) of the Rules 2006, towards financial assistance equivalent to the loss of pay and wages of the deceased employee for the period specified.”

14. As regards the compensation awarded on account of other heads, the income of the deceased, the age of the deceased, future prospects were rightly assessed by the MACT. Only the funeral expenses, loss of estate and filial consortium deserve to be enhanced in view of the law laid down by the Hon’ble Supreme Court of India in the case of **Pranay Sethi** (supra). Accordingly, the compensation is assessed as under, keeping in mind the principles enunciated by the Hon’ble Supreme Court of India:-

Sr. No.	Heads of Claim	Awarded by the MACT	Enhanced Compensation
1.	Age of the deceased	48 years	No change
2.	Income of the deceased	Rs.27599/- per month	No change
3.	Future prospects @ 30%	Rs.8279/- per month (Total Income Rs.35,878/-)	No change
4.	After deducting 1/4 of the income as personal expenses of the deceased (Rs.8969.5/-)	Rs.26,909/- per month Rs.3,22,908/- per annum	No change
5.	After applying Multiplier of ‘13’	Rs.3,22,908 x 13 =Rs.41,97,804/-	No change
6.	Deduction of financial assistance of Rs.20,64,468/-	Rs.21,33,336/-	Rs.21,33,336/- (no change)
7.	Expenses incurred on treatment	Rs.50,000 +15146+2100 = Rs.67,246/-	No Change
8.	Loss of consortium	Rs.40000/-	Rs.2,42,000/- (Rs.48400/- x 5)
9.	Funeral Expenses	Rs.15000/-	Rs.18150/-
10.	Loss of Estate	Rs.15000/-	Rs.18150/-
	Total Compensation	Rs.22,70,582/-	Rs.24,11,636/-

After deducting a sum of Rs.22,70,582/- as assessed by the MACT, the balance compensation comes to Rs.1,41,054/- This amount would be payable in addition to the amount assessed by the learned MACT along with interest @ 7.5% annually. The disbursal and liability to pay the same would be as per the award.

16. The present appeal is accordingly disposed of.

Pending application(s), if any, shall also stand disposed of.

(VIKRAM AGGARWAL)
JUDGE

December 11, 2025

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Whether speaking/reasoned:

Yes/No

Whether reportable:

Yes/No