IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH

(i) FAO-4794-2014 (O&M)

Sunita Devi and others

...Appellants

VERSUS

Dev Dutt and others

...Respondents

(ii) FAO-4795-2014 (O&M)

Smt.Mithlesh and others

...Appellants

VERSUS

Dev Dutt and others

...Respondents

(iii) FAO-6627-2014 (O&M)

The New India Assurance Company Ltd.

...Appellant

VERSUS

Smt.Prem Devi and others

...Respondents

(iv) FAO-459-2015 (O&M)

The New India Assurance Company Ltd.

...Appellant

VERSUS

Smt.Mithlesh and others

...Respondents

(v) FAO-463-2015 (O&M)

The New India Assurance Company Ltd.

...Appellant

VERSUS

Sunita Devi and others

...Respondents

(vi) FAO-2373-2017 (O&M)

The New India Assurance Company Ltd.

...Appellant

VERSUS

Deepak and others

...Respondents

Date of Decision: November 17, 2025

CORAM: HON'BLE MRS. JUSTICE ARCHANA PURI

Present: Mr.Ashish Sindher, Advocate for
Mr.Ram Darshan Yadav, Advocate
for the appellants (in FAO-4794 and 4795-2014)
for respondents No.1 to 5 (in FAO-459-2015) and
for respondents No.1 to 6 (in FAO-463-2015).

Mr.Jitender Nara and Mr.Ram Bhatti, Advocates
for respondents No.1 and 2 (in FAO-4794 and 4795-2014)
for respondents No.4 and 5 (in FAO-6627-2014)
for respondents No.6 and 7 (in FAO-459-2015)
for respondents No.7 and 8 (in FAO-463-2015) and
for respondents No.2 and 3 (in FAO-2373-2017).

Mr.Abhinav Narang, Advocate
for respondent No.3 (in FAO-4794 and 4795-2014)
for appellant (in FAO-6627-2014,
FAOs-459 and 463-2015 and FAO-2373-2017).

****

ARCHANA PURI, J.

These are six appeals filed to assail three Awards passed by learned Motor Accident Claims Tribunal, arising from the same accident, which took place on 10.07.2012, and the same resulted into death of three persons, namely, Uma Shankar Rai, Ganesh Dutt and Rajpal and also, injuries sustained by various other persons.

MACT No.58 and 59 of 2012/2013 were decided by the common Award dated 02.04.2014, whereby, compensation was awarded, on account of death of Uma Shankar Rai as well as Ganesh Dutt, in the accident in question.

MACT No.459-2012 was filed by the legal heirs of deceased Rajpal and the same was decided vide Award dated 19.02.2014. Even, MACT No.17 of 2013/2015 was filed by Deepak, to seek compensation, on account of injuries sustained by him, in the accident in question.

For the convenience of discussion, the facts are taken, as reproduced in the claim petition, relating to the death of Uma Shankar Rai and the same are reproduced, as herein given:-

That, on 10.07.2012, Uma Shankar Rai and Ganesh Dutt were proceeding for their duty in the offending bus bearing registration No.RJ-18PA-3747. At 8.30 a.m., when they reached ahead of bus stand Dharuhera, the driver of the bus was driving the bus in a rash and negligent manner, at a high speed and struck the same, with the divider on the road and turned turtle. As a result of this accident, Ganesh, Rajpal and Uma Shankar had died instantaneously, whereas, other passengers had sustained injuries and Deepak, was one of the passenger. FIR was got registered qua the accident in question at Police Station Dharuhera.

Furthermore, in the claim petitions, the details of age of the deceased, as well as their vocation and also about the dependence of the claimants upon the earnings, as such, were given.

On appraisal of the evidence, brought on record, learned Tribunal had awarded compensation to the extent of Rs.36,95,976/-, on account of death of Uma Shankar Rai. Besides the same, even compensation to the extent of Rs.9,45,000/- was awarded, on account of death of Ganesh Dutt.

Likewise, in the claim petition relating to death of Rajpal, on appraisal of the evidence, compensation to the extent of Rs.9,84,860/- was awarded. Qua injured Deepak, learned Tribunal, on appraisal of the evidence, had awarded compensation to the extent of Rs.65,500/-. In all the aforesaid claim petitions, the liability of the respondents No.1 to 3 i.e. driver, owner and insurance company, was held to be joint and several.

Being aggrieved by the quantum of compensation awarded by learned Tribunal, FAO-4794-2014 and FAO-4795-2014 have been filed to assail the common Award passed by learned Tribunal, vide which compensation was awarded on account of death of Uma Shankar Rai and Ganesh Dutt.

To assail the liability fastened jointly and severally upon the insurance company as well as to assail the factum and manner of accident and violation of terms and conditions of the insurance policy, the insurance company has also filed FAO-459-2015 and FAO-463-2015, relating to the Award passed qua death of Uma Shankar Rai and Ganesh Dutt. Another FAO-2373-2017, was filed by the insurance company, relating to the compensation awarded to injured-Deepak and FAO-6627-2014 was also filed by the insurance company, qua death of Rajpal, in the accident in question.

In pursuance of the notice issued, contesting respondents made appearance through their respective counsel.

Counsel for the parties heard.

At the very outset, it is pertinent to mention that relating to the compensation awarded on account of death of Rajpal and on account of injuries sustained by Deepak, even though, the insurance company has filed the appeal, thereby, questioning the factum of accident and manner of taking place of the same, but however, during the course of arguments, learned counsel for the insurance company has confined his submissions, only to the liability fastened upon the insurance company, on account of violation of terms and conditions of the insurance policy, as there is deviation of the route specified in the route permit and does not press upon other aspects.

Firstly, let us consider the liability, which has been fastened upon the insurance company, together with the driver and owner of the offending vehicle. At the very outset, it has been submitted by learned counsel for the insurance company that the bus in question was having a permit, but however, at the relevant time, the bus in question was not being plied on the route, which was sanctioned by the permit. It is submitted that the bus was being operated, not as per the terms of the permit and therefore, there was violation of terms and conditions of the insurance policy, for which the insurance company, as such, could not be made liable, in any case, to pay the compensation as worked upon, qua death of various persons and injury sustained by Deepak.

To so substantiate his claim, learned counsel for the insurance company has made beneficial reference to ***Gohar Mohammed vs. Uttar Pradesh State Road Transport Corporation and others, 2022 INSC 1282***, wherein, the Hon'ble Supreme Court had held that any deviation with regard to the plying of the vehicle on a route, different than specified in the permit, also amounts to violation of the conditions of the insurance policy and thereupon, recovery rights were granted to the insurance company. Also, further reference has been made to the decision rendered by the Hon'ble Delhi High Court in case titled ***Gurmeet Singh vs. The New India***

Assurance Company Ltd. & Ors., 2023 NCDHC 7209, wherein, it was held that if a vehicle is driven in an area or on a route, not covered by the permit, it constitutes driving without a valid permit and breaches the insurance policy conditions. In the same, reference was made to the decisions of the Hon'ble Supreme Court and various High Courts, vis-a-vis, manner of liability to be fastened upon the insurance company and further also, giving the right of recovery from the owner of the vehicle.

In the case under consideration in the aforesaid case, where the offending vehicle had a valid permit for plying only in the State of Uttar Pradesh and there was no permit for the offending vehicle to be driven in Delhi, where the accident had taken place. Therefore, it was held to be the case of offending vehicle being driven without a valid permit, at the time of accident. On this account, it was further held that learned Tribunal has therefore, rightly granted right to the insurance company to recover the compensation amount paid to the claimants.

Also further, counsel for the insurance company has made reference to the decision rendered by the Hon'ble Karnataka High Court in ***Basavaraj vs. Malleshi and anr., 2024 NCKHC-K 534***, wherein, it was held that the accident cased by the vehicle plying beyond the permit limits, then such violation does not amount to fundamental breach of insurance policy terms and the insurance company was directed to pay the compensation and recover the amount from the vehicle owner.

In the case in hand, perusal of the route permit, relating to the offending bus in question, reveals about the route for the vehicle was Khetri-Rewari via Nizampur, Narnaul Inter-State route. It was issued on 12.12.2006 and date of expiry was 11.12.2011. However, the recitals of the renewal stamp of the permit reveals that it was renewed on 09.12.2011 upto 11.12.2016. As such, on the date of accident in question i.e. 10.07.2012. there was valid route permit for plying of the bus bearing registration No.RJ-18PA-3747. However, the route as such, is the question, which ought to be taken into consideration.

It is specific claim about the bus to be proceeding to Gurugram and enroute, accident had taken place, within the jurisdiction of Dharuhera. Much emphasis has been laid upon by the counsel for the insurance company about Dharuhera to be not falling on the sanctioned route. However, the aforesaid submission is not tenable. It is pertinent to mention that Khetri falls in State of Rajasthan and other places, as spelt out in the route detail, falls in State of Haryana and Dharuhera falls in District Rewari. In the given circumstances, when Rewari is part of the route sanctioned, as per the permit in question, therefore, it cannot in any manner, be concluded that the bus was plying at a route, which deviated from the sanctioned route.

Though, it is emphatically submitted that the accident had taken place, beyond city of Rewari, but however, it is significant to mention that Dharuhera falls in District Rewari and it is about 19 kms. from Rewari. In the given circumstances, when the accident had taken place, within the jurisdiction of Rewari, therefore, in any manner, so far as, this route permit is to be considered, it cannot be stated that there was any violation. Though Rewari falls in the permissible route, it does not further specify of the direction towards which, it is to go and as observed aforesaid, Dharuhera falls in District Rewari and therefore, for all intents and purposes, the accident had taken place at Rewari. Considering the same, it cannot be concluded that the offending bus was being plied beyond the route, for which the permit was issued.

In the given circumstances, it cannot be said that there was violation of terms and conditions of the insurance policy. Consequently, the insurance company cannot be absolved from its liability and as such, cannot be granted recovery rights, as asserted. Thus, the liability was fastened upon the insurance company together with the driver and owner of the offending vehicle and this finding is hereby affirmed.

In the light of the aforesaid, when counsel for the insurance company has confined his prayer only with regard to the issue of liability, the appeals i.e. **FAO-6627-2014** and **FAO-2373-2017**, filed by the insurance company, as such, are hereby dismissed.

However, the factum of accident has also been assailed in the other two appeals filed by the insurance company, relating to death of Uma Shankar Rai and Ganesh Dutt.

On appraisal of the evidence on record, suffice to consider that the post-mortem reports have been duly proved on record, which state about the cause of death to be hemorrhage and shock, due to multiple injuries and the same were ante-mortem in nature and sufficient to cause death, in ordinary course of life. Also, from the evidence adduced, it is evident that respondent-Dev Dutt was facing trial, relating to the criminal case. Moreover, Dev Dutt had not stepped into witness box to dispute about the manner of accident. Considering such evidence, the factum of accident, as such stands established.

Even though, plea had been taken about the bus to be overloaded, at the relevant time, but no sufficient evidence, in this regard, has come on record. Much emphasis has been laid upon the testimony of

Deepak, who had stated that there were 60 passengers travelling in the bus and 4-5 persons were travelling on the roof of the bus, but however, the said witness, in the cross-examination had stated that he had never stated to the police about the bus to be over crowded with passengers and also, he did not disclose to the police that some passengers were sitting on the roof and other passengers were lifting around in the bus.

Satbir Yadav, the other witness examined in the claim petition, relating to death of Rajpal, had also not stated about the exact strength of passengers travelling in the said bus to be 60-65. From the evidence adduced, there is no conclusive fact, coming in either of the claim petitions, vis-a-vis, the number of tickets issued to the passengers to establish that at the time of relevant time, the bus was over-loaded. In fact, no evidence, at all has been led by the insurance company. Considering the same, the bus being over-loaded, much beyond its capacity, as such, does not stand established. In the given circumstances, learned Tribunal had appropriately appraised the evidence and concluded about the accident to be caused, on account of rash and negligent driving of the bus bearing registration No.RJ-18PA-3747 and the fact of death of three persons as well as injury sustained by Deepak, as such, stand amply established.

In this backdrop, now let us consider the compensation awarded on account of death of Uma Shankar Rai. Learned Tribunal had concluded about Uma Shankar Rai to be 35 years old, at the relevant time of accident. Suffice to consider the middle class examination certificate Ex.P2 as well as PAN Card Ex.P3. As per the recitals, the date of birth of Uma Shankar Rai is established to be 04.03.1978. Thus, on the date of accident i.e. 10.07.2012, Uma Shankar Rai was 34½ years old. At the relevant time, he was working as Warehousing Supervisor in Nifast India Pvt. Ltd. The salary certificates have been proved as Ex.PW3/A to Ex.PW3/C for the month of May to July 2012. Learned Tribunal had taken the last pay drawn salary of deceased Uma Shankar Rai as Rs.27,904/- per month and after deducting conveyance charges, his actual salary was taken as Rs.24,104/-. Considering the number of dependents to be six in number, the deduction of 1/4th was made. After making deduction of 1/4th i.e. Rs.6026/-, the loss of monthly dependence was worked upon as Rs.18,078/-, annual whereof is Rs.2,16,936/-. Considering the deceased to be falling in the age group of 31-35, the multiplier of '16' was applied and compensation was worked upon as Rs.34,70,976/-. Apart from aforesaid, another amount of Rs.1 lakh was awarded as 'loss of consortium' and Rs.1 lakh was awarded, on the count of 'loss of care and guidance of minor child' and Rs.25,000/- as 'last rites'. Thus, in total, the compensation to the extent of Rs.36,95,976/- was awarded.

However, as per prevalent settled law, the compensation as worked upon aforesaid qua death of Uma Shankar Rai, do call for re-computation.

So far as, the salary of deceased Uma Shankar Rai is concerned, the last salary is evident to be Rs.27,904/-, annual whereof is Rs.3,34,848/-. As per ***National Insurance Company Limited vs. Pranay Sethi and others, 2017(4) RCR (Civil) 1009***, for the purpose of 'work on' of the compensation, actual income ought to be taken minus tax component. As per the tax slab, prevalent in the year 2011-2012, the income upto Rs.1,80,000/- was exempted from tax. However, from the income bracket of Rs.1,80,000-5,00,000/-, income tax payable was 10%. After deduction of Rs.1,80,000/-, the residue taxable amount works out to be Rs.3,34,848-

1,80,000=Rs.1,54,848/- and therefore, working upon the tax on this amount @ 10%, it comes to be Rs.15,484/-. Thus, the total tax payable is **Rs.15,484/-**. After making deduction of the aforesaid extent of income tax amount, the residue annual income, is Rs.3,34,848-15,484=**Rs.3,19,364/-.**

Considering the number of dependents, as per ***Smt.Sarla Verma vs. Delhi Transport Corporation and anr., 2009(3) RCR (Civil) 77***, deduction of 1/4th ought to be made, on the count of 'personal expenses' as done by learned Tribunal. Considering the age of the deceased to be about 35 years, as per ***Pranay Sethi's case (supra)***, addition on the count of 'future prospects', has to be made to the extent of 40% and further, the multiplier of '16' is to be applied, as applied by learned Tribunal.

Besides the aforesaid, on the count of 'loss of consortium', be it 'filial', 'spousal' or 'parental', the claimants are entitled to Rs.48,400/- each. No separate amount is required to be given under the head of 'loss of care and guidance of minor child', as the said amount is comprehended under the head of 'loss of consortium'. Even, the compensation awarded on account of 'last rites' to the extent of Rs.25,000/- is on higher side. As per settled prevalent law, the appellants-claimants are entitled to compensation on the counts of 'loss of estate' and 'funeral expenses' to the extent of Rs.18,150/- on each count. Taking it to be so, now, the compensation to be awarded is re-computed as herein given:-

Annual earnings	Rs.3,19,364/-
Deduction of 1/4th	Rs.3,19,364-79,841=Rs.2,39,523/-
Addition of 40%	Rs.2,39,523+Rs.95,809=Rs.3,35,332/-
Multiplier of '16'	Rs.3,35,332x16=**Rs.53,65,312/-**
Loss of consortium to all dependents	Rs.48,400x6=**Rs.2,90,400/-**
Funeral expenses	**Rs.18,150/-**

Loss of estate	**Rs.18,150/-**
Total	**Rs.56,92,012/-**

As such, the enhanced compensation, after the deduction of compensation awarded by the Tribunal is **Rs.56,92,012-36,95,976=Rs.19,96,036/-**. On the enhanced amount of the compensation i.e. **Rs.19,96,036/-**, the appellants-claimants shall be entitled to the interest, at the rate of 6% per annum, from the date of filing of the present appeal, till realization of the enhanced amount of compensation. Out of the total amount of compensation, as now worked upon, appellant-claimant No.1 is held entitled to **Rs.30,92,012/-**, whereas, appellants-claimants No.2 to 4 are held entitled to **Rs.6,00,000/-** each, and appellants No.5 and 6 are held entitled to the compensation of **Rs.4,00,000/-** each. Any amount, earlier disbursed to the claimants, in consonance with the terms of the Award passed by the learned Tribunal, shall be adjusted accordingly.

Now, let us consider the compensation awarded qua death of Ganesh Dutt. As per the pleaded case of the appellants-claimants, deceased Ganesh Dutt was working as driver and earning Rs.20,000/- per month and salary certificate Ex.PW6/B has been proved. But however, learned Tribunal considering no sufficient evidence coming on record, has taken the earnings of deceased Ganesh Dutt as Rs.5,000/- per month, as that of unskilled labourer. Considering the number of dependents to be five, 1/4th was deducted and the monthly loss of dependency was worked upon as Rs.5,000-1250=Rs.3750/-, annual whereof is Rs.45,000/-. Considering the age of the deceased to be 31 years, multiplier of ‘16’ was applied and compensation was worked upon as Rs.7,20,000/-. Besides the aforesaid, another amount of Rs.1 lakh was awarded as ‘loss of consortium’ and Rs.1

lakh was awarded, on the count of 'loss of care and guidance of minor child and Rs.25,000/- as 'last rites'. Thus, in total, the compensation to the extent of Rs.9,45,000/- was awarded.

Very true, PW-6 Dhir Singh has been examined as an employer and he had proved on record the salary certificate of Ganesh Dutt Ex.PW6/B. Anyhow, while facing cross-examination he had stated that though, he maintains register with regard to the attendance and salary, but however, he did not produce the same. Even, widow of deceased Ganesh Dutt, has not stepped into witness box. In the given circumstances, sole reliance, as such, cannot be placed upon the testimony of PW-6 Dhir Singh. Considering the same, learned Tribunal had appropriately considered the earnings of deceased Ganesh Dutt as Rs.5,000/- per month, annual whereof is Rs.60,000/-. However, as per prevalent settled law, the compensation awarded to the appellants-claimants, qua death of Ganesh Dutt, do call for re-computation.

As evident from Voter Card Ex.P6, PAN Card Ex.P7 and matriculation certificate Ex.P8, the date of birth of Ganesh Dutt is 28.09.1980. Thus, on the date of accident i.e. 10.07.2012, he is established to be about 32 years old. Thus, on the similar parameters, as detailed aforesaid qua death of Uma Shankar Rai, the compensation to be awarded to the appellants-claimants qua death of Ganesh Dutt, is re-computed, as herein given:-

Annual earnings	Rs.60,000/-
Deduction of 1/4th	Rs.60,000-15,000=Rs.45,000/-
Addition of 40%	Rs.45,000+Rs.18,000=Rs.63,000/-
Multiplier of '16'	Rs.63,000x16=**Rs.10,08,000/-**
Loss of consortium to all dependents	Rs.48,400x5=**Rs.2,42,000/-**

Funeral expenses	**Rs.18,150/-**
Loss of estate	**Rs.18,150/-**
Total	**Rs.12,86,300/-**

As such, the enhanced compensation, after the deduction of compensation awarded by the Tribunal is **Rs.12,86,300-9,45,000=Rs.3,41,300/-**. On the enhanced amount of the compensation i.e. **Rs.3,41,300/-**, the appellants-claimants shall be entitled to the interest, at the rate of 6% per annum, from the date of filing of the present appeal, till realization of the enhanced amount of compensation. Out of the total amount of compensation, as now worked upon, appellant-claimant No.1 is held entitled to **Rs.5,86,300/-**, whereas, appellants-claimants No.2 and 3 are held entitled to **Rs.2,00,000/-** each, and appellants No.5 and 6 are held entitled to the compensation of **Rs.1,50,000/-** each. Any amount, earlier disbursed to the claimants, in consonance with the terms of the Award passed by the learned Tribunal, shall be adjusted accordingly.

In the light of the aforesaid observations, the appeals filed by the appellants-claimants i.e. **FAO-4794-2014** and **FAO-4795-2014**, stand allowed, to the extent as detailed aforesaid and as a result of the same, **FAO-459-2015** and **FAO-463-2015**, filed by the insurance company, stand dismissed.

The pending civil misc. applications, if any, shall stand disposed of.

November 17, 2025 **(ARCHANA PURI)**
Vgulati **JUDGE**

Whether speaking/reasoned **Yes**
Whether reportable **Yes/No**