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IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH

1. FAO-5297-2015 (O&M)
Date of Decision : 17.11.2025

Oriental Insurance Co. Ltd. ... Appellant(s)

Versus

Piare Lal & Ors ... Respondent(s)

2. FAO-5906-2015 (O&M)

Piare Lal & Ors ... Appellant(s)

Versus

Siri Bhagwan & Ors ... Respondent(s)

CORAM : HON'BLE MRS. JUSTICE ALKA SARIN

Present : Mr. Lalit Garg, Advocate
for the Oriental Insurance Company Ltd.,
(appellant in FAO-5297-2015 and
respondent Nos.3 and 6 in FAO-5906-2015).

Mr. Naveen Gupta, Advocate for the claimants
(respondent Nos.1 to 4 in FAO-5297-2015 and
appellants in FAO-5906-2015).

Mr. Gaurav Gaur, Advocate
for the owner of the offending truck
(respondent No.8 in FAO-5297-2015).

None for the driver of the offending truck despite service
(respondent No.7 in FAO-5297-2015).

ALKA SARIN, J. (Oral)

1. The present order shall dispose off the two above-captioned appeals being **FAO-5297-2015** filed by the Insurance Company and **FAO-5906-2015** filed by the claimants aggrieved by the impugned award dated 13.05.2015 passed by the Motor Accident Claims Tribunal, Ambala. The parties are being referred to as Insurance Company, driver and owner and the

claimants for the sake of clarity.

2. Since the factum of the accident is not in dispute, the facts are not being adverted to for the sake of brevity.

3. The Tribunal vide the impugned award held the driver, owner and the Insurance Company of the offending Scorpio Car bearing Registration No.HR-37-C-7977 and the driver, owner and the Insurance Company of offending Truck bearing registration No.HP-34-B-1915 liable jointly and severally to the extent of 50% each and had awarded the following compensation :

Sr. No.	Heads	Compensation Awarded	
1	Monthly Income	₹3,500/-	
2	Annual Income	₹42,000/-	[₹3,500 x 12]
3	Deduction - 1/3rd	₹28,000/-	[₹42,000 - ₹14,000]
4	Multiplier - 15	₹4,20,000/-	[₹28,000 x 15]
5	Funeral expenses	₹25,000/-	
6	Loss of love and affection	₹1,50,000/-	
	Total Compensation	**₹5,95,000/-**	
	Interest	**7.5%**	

4. Aggrieved by the same, an appeal (**FAO-5297-2015**) has been filed by the Insurance Company and the appeal **FAO-5906-2015** has been filed by the claimants.

FAO-5297-2015

5. The only argument raised by the learned counsel for the Insurance Company is that the driving licence of the driver of the offending truck did not have an endorsement for heavy transport vehicles, rather the person who appeared as RW1 – Ashok Kumar – Senior Assistant office of Registering and Licensing Authority, Bhattiyat at Chowari, District Chamba, Himachal Pradesh had clearly stated that as per their record, the driver was

not holding a Heavy Transport Vehicle Driving Licence on 26.08.2012. It has further been contended that the unladen weight of the offending truck was 8,000 kgs and, hence, the driving licence had to be necessarily endorsed for Heavy Transport Vehicle.

6. Learned counsel for the owner of the offending truck would contend that the Tribunal had held that the driving licence was genuine and that the driving licence (Ex.R1) showed that the same was for a Heavy Transport Vehicle.

7. None has put in appearance on behalf of the driver of the offending truck despite service.

8. I have heard the learned counsel for the parties.

9. In the present case, RW1 – Ashok Kumar – Senior Assistant office of Registering and Licensing Authority, Bhattiyat at Chowari, District Chamba, Himachal Pradesh had stepped into the witness box and stated that the driver of the offending truck had a licence for LMV (Non-Transport) which is valid upto 08.04.2031 and he had applied for further endorsement on the driving licence for PSV bus on 21.04.2014 i.e. after the date of the accident which is 16.08.2012. It has further been stated that on 26.08.2012 the driver of the offending truck was not holding a licence for Heavy Transport Vehicle. There is no cross-examination on this point by the counsel for the driver and owner of the offending truck. There is no evidence which has been pointed out by the learned counsel for the owner of the offending truck to show that the driving licence was valid for a Heavy Transport Vehicle on the date of the accident i.e. 26.08.2012. In view of the unrebutted statement of RW1, the finding of the Tribunal holding the Insurance Company liable cannot be

sustained and the same is set aside. The Insurance Company is granted recovery rights against the driver and owner of the offending truck.

FAO-5906-2015

10. Learned counsel for the claimants would contend that the Tribunal has assessed the income of the deceased as ₹3,500/- per month based only on the income she was earning from the school. However, the Tribunal had totally overlooked the fact that she was also looking after the minor children and other household work and, therefore, her income ought to have been assessed as that of a skilled worker. Learned counsel for the claimants states that he does not challenge the multiplier as applied by the Tribunal, however, he states that there are four claimants in the present case and a deduction of 1/4th would applicable instead of 1/3rd and that no addition has been made towards future prospects which ought to have been 40% keeping in view the age of the deceased as 40 years at the time of the accident. It is further the contention of the learned counsel that the compensation awarded under the conventional heads as well as under the head 'loss of consortium' is not in accordance with the law laid down by the Hon'ble Supreme Court. In support of his contentions, the learned counsel for the claimants has relied upon the judgments of the Hon'ble Supreme Court in the cases of **Sarla Verma & Ors. vs. Delhi Transport Corporation & Anr. [(2009) 6 SCC 121]; National Insurance Company Ltd. vs. Pranay Sethi & Ors. [(2017) 16 SCC 680]; Magma General Insurance Company Limited vs. Nanu Ram alias Chuhru Ram & Ors. [(2018) 18 SCC 130]; N. Jayasree & Ors. vs. Cholamandalam M.S General Insurance Company Ltd. [2021(4) RCR (Civil) 642]** and **Kirti & Anr. vs. Oriental Insurance Company Ltd. [2021(1) RCR (Civil) 478]**.

11. Learned counsel for the owner of the offending truck and the Insurance Company would contend that the age of the deceased was 43 years at the time of the accident and relied upon the cross-examination of PW3 - Piare Lal wherein he stated that in February 1988, when he got married, the age of the deceased was 19 years. Learned counsel have further contended that as per the claimants' own case the salary of the deceased was ₹3,500/- per month. It is further the contention of the learned counsel that sufficient amount has already been awarded as compensation in the present case and that there is no scope of any enhancement.

12. I have heard the learned counsel for the parties.

13. Dealing firstly with the argument of the learned counsel for the owner and Insurance Company of the offending truck that the age of the deceased was 43 years at the time of the accident deserves to be rejected. The age of the deceased as per the post-mortem report was between 35-40 years and as per the ration card which was produced on the record as Ex.P19, she was 34 years of age. Hence, her age was correctly assessed by the Tribunal as 40 years at the time of the accident.

14. The argument of the learned counsel for the claimants that the income of the deceased has been assessed on the lower side and no addition has been made towards future prospects, deserves to be accepted. The income has been assessed as per the monthly salary based on Ex.P2 to Ex.P15, however, the Tribunal has totally ignored the fact PW3 – Piare Lal had stated that the deceased was also looking after the minor children and there is no cross-examination qua the said fact by either of the counsel for the owner and driver and the Insurance Company of the offending truck. Further, a homemaker does much more than a single person can do. Infact, a homemaker

performs multiple functions in the house i.e. cooking for the family, cleaning the house, washing clothes and utensils, the list is endless. A homemaker is also a caretaker of her children as well as all the members of the house. The Hon'ble Supreme Court in the case of **Kirti** (supra) has held as under :

> " 42. Therefore, on the basis of the above, certain *general observations can be made regarding the issue of calculation of notional income for homemakers and the grant of future prospects with respect to them, for the purposes of grant of compensation which can be summarized as follows:*
>
> > *a. Grant of compensation, on a pecuniary basis, with respect to a homemaker, is a settled proposition of law.*
> >
> > *b. Taking into account the gendered nature of housework, with an overwhelming percentage of women being engaged in the same as compared to men, the fixing of notional income of a homemaker attains special significance. It becomes a recognition of the work, labour and sacrifices of homemakers and a reflection of changing attitudes. It is also in furtherance of our nation's international law obligations and our constitutional vision of social equality and ensuring dignity to all.*
> >
> > *c. Various methods can be employed by the Court to fix the notional income of a homemaker, depending on the facts and circumstances of the case.*
> >
> > *d. The Court should ensure while choosing the method, and fixing the notional income, that the same is just in the facts and circumstances of the particular case, neither assessing the compensation too conservatively, nor too liberally.*

> *e. The granting of future prospects, on the notional income calculated in such cases, is a component of* just compensation."

15. The deceased in the present case was 40 years of age though she was working for half the day she must have also been doing all the household work as stated by her husband and hence would also be treated as a homemaker. The minimum wage for a skilled worker prevailing at the time of the accident was admittedly ₹6,000/- per month. Hence, the income of the deceased is assessed as ₹6,000/- per month and keeping in view the law laid down by the Hon'ble Supreme Court in the case of **Kirti** (supra), an addition of 40% is made towards future prospects.

16. The argument of the learned counsel for the claimants that 1/3rd deduction has wrongly been applied by the Tribunal also deserves to be accepted inasmuch as in the present case the number of claimants is four, hence, as per the law laid down by the Hon'ble Supreme Court in the case of **Sarla Verma** (supra), a deduction of 1/4th would be applicable instead of 1/3rd.

17. In the present case, the Tribunal has rightly applied a multiplier of 15 keeping in view the age of the deceased as 40 years. However, the compensation awarded under the conventional heads and under the head 'loss of consortium' is not as per the law laid down by the Hon'ble Supreme Court in the cases of **Pranay Sethi** (supra), **Magma General Insurance Company Limited** (supra) and **N. Jayasree** (supra), hence, the claimants would be entitled to ₹18,000/- (₹15,000+20% increase) towards loss of estate and ₹18,000/- (₹15,000+20% increase) towards funeral expenses and the claimants (husband and three children of the deceased) would also be entitled

to ₹48,000/- each (₹40,000+20% increase) towards loss of consortium. Accordingly, the reworked compensation is as under :

Sr.No.	**Heads**	**Compensation Awarded**	
1	Monthly Income	₹6,000/-	
2	Annual Income	₹72,000/-	[₹6,000 x 12]
3	Deduction - 1/4th	₹54,000/-	[₹72,000 - ₹18,000]
4	Future Prospects - 40%	₹75,600/-	[₹54,000 + ₹21,600]
5	Multiplier - 15	₹11,34,000/-	[₹75,600 x 15]
6	Loss of estate	₹18,000/-	
7	Funeral expenses	₹18,000/-	
8	Loss of consortium (i) Parental [₹48,000/- x 3] (ii) Spousal's	 ₹1,44,000/- ₹48,000/- (Total ₹1,92,000/-)	
	Total Compensation	**₹13,62,000/-**	

18. The amount in excess of and over and above the amount awarded by the Tribunal shall also attract interest @ 7.5% per annum from the date of filing of the claim petition till the realization of the entire amount.

19. In view of the decision by the Hon’ble Supreme Court in **Parminder Singh Vs. Honey Goyal & Ors. [AIR 2025 SC 1713 = 2025 SCC OnLine SC 567]**, after calculation of the enhanced amount, the same be transferred by the Insurance Company in the bank account(s) of the claimants within six weeks from today and the apportionment thereof shall be as per the direction of the Tribunal. The particulars of the bank account(s) alongwith the requisite documents(s) in support thereof shall be furnished by the claimants to the Insurance company within a period of two weeks from the date of this order and needful shall be done by the Insurance Company after verification thereof within four weeks thereafter alongwith up-to-date interest. The compliance shall be reported by the Bank to the Tribunal concerned.

20. In view of the above discussion, the appeals being **FAO-5297-2015** filed by the Insurance Company and **FAO-5906-2015** filed by the claimants stand disposed off and the award passed by the Tribunal stands modified accordingly. Pending applications, if any, also stand disposed off.

17.11.2025 **(ALKA SARIN)**
Yogesh Sharma **JUDGE**

NOTE: Whether speaking/non-speaking: Speaking
Whether reportable: YES/NO