2025:PHHC:112599

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IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH

FAO-5332-2016 (O&M)
Date of Decision : 25.08.2025

United India Insurance Co Ltd ... Appellant

Versus

Saroj Rani and Others ... Respondents

FAO-7572-2016 (O&M)

Saroj Rani and Another ... Appellants

Versus

Sanjeev Kumar and Others ... Respondents

CORAM : HON'BLE MRS. JUSTICE ALKA SARIN

Present : Mr. Ram Avtar, Advocate
for the appellant in FAO-5332-2016 and
for respondent No.3 in FAO-7572-2016.

Mr. Maneet Kaushik, Advocate for
Mr. Ashit Malik, Advocate
for the appellants in FAO-7572-2016 and
for respondent Nos.1 and 2 in FAO-5332-2016.

ALKA SARIN, J. (Oral)

1. Present order shall dispose off the above-captioned two appeals. The appeal being FAO-5332-2016 has been filed by the United India Insurance Co. Ltd. while the appeal being FAO-7572-2016 has been filed by claimants challenging the award dated 04.05.2016 passed by the Motor Accident Claims Tribunal, Kurukshetra (hereinafter referred to as the 'Tribunal') on account of death of Amarjit Singh (hereinafter referred to as

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the ‘deceased’). The parties are being referred to as the claimants, driver, owner and the Insurance Company for the sake of clarity.

2. The brief facts relevant to the present *lis* are that on 03.11.2014 at about 10.30 am the deceased alongwith Sanoj Yadav and Parmod Kumar was present near a water tap outside the main gate of Mukand Rice Mill on Kurukshetra-Yamuna Nagar Road in the area of village Ban, when a Tata-407 bearing registration No.HR-46-3957 (hereinafter referred to as the ‘offending vehicle’), which was being driven by Sanjeev Kumar at a high speed, in a rash and negligent manner and without blowing any horn, came from the side of Yamuna Nagar and hit the deceased and Parmod Kumar after coming on to the wrong side of the road as a result of which they both suffered multiple serious and grievous injuries. After causing the accident, the driver fled from the spot after leaving the offending vehicle there. The deceased was taken to CHC, Ladwa from where he was referred to LNJP Hospital, Kurukshetra but he succumbed to his injuries on the way. FIR No.215 dated 3.11.2014 was registered at Police station, Ladwa, District Kurukshetra under Sections 279, 337 and 304-A of the Indian Penal Code, 1860.

3. The driver of the offending vehicle filed the written statement raising various preliminary objections. It was stated that the accident had taken place due to the sole negligence of the deceased. The owner of the offending vehicle did not appear despite service and was proceeded against *ex parte*. Written statement was also filed by the Insurance Company. Besides the preliminary objections, it was averred in the written statement that the driver of the offending vehicle was not holding a valid and effective driving licence.

4. On the basis of pleadings of the parties, the following issues were

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framed :

1. Whether the accident in question, which had taken place on 3.11.2014 and had resulted in death of Mewa Ram, was caused due to rash and negligent driving of respondent No.1 ? OPP
2. If issue No.1 is proved in affirmative, what would be the amount of compensation payable to the petitioners and by whom ? OPP
3. Whether respondent No.1 was not holding a valid and effective driving licence and the terms and conditions of the insurance policy were violated ? OPR-3
4. Relief.

5. The Tribunal awarded the following compensation :

Sr. No.	**Heads**	**Compensation Awarded**
1	Monthly income	₹9,900/-
2	Deduction 50%	[₹9,900 – 4,950] = ₹4,950/-
3	Annual income	[₹4,950 x 12] = ₹59,400/-
4	Multiplier – 17	[₹59,400 x 17] = ₹10,09,800/-
5	Loss of Estate	₹2,00,000/-
6	Funeral expenses and transportation	₹25,000/-
	Total Compensation	**₹12,34,800/-**
	Interest	**9% per annum**

6. None has put in appearance on behalf of the owner of the offending vehicle, despite service. Notice issued for the service of the driver of the offending vehicle was received back with the report that he was not residing at the given address and thereafter the Insurance Company did not take any steps to file his correct address. In addition, the driver and owner of the offending vehicle were *ex parte* before the Tribunal. For the reasons to follow, the Court is proceeding to decide the matter in the absence of the driver and owner of the offending vehicle.

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7. Learned counsel for the Insurance Company would contend that in the present case the driving licence of the driver of the offending vehicle was a fake licence which was issued from Nagaland though the driver was a resident of Pundri, District Kaithal (Haryana). It is further the contention that the said driving licence was got verified and as per the report (Ex.R6) received under the RTI Act, 2005 from the Public Information Officer-cum-District Transport Officer, Tuensang (Nagaland) addressed to Sh. Devinder Sharma, Investigator appointed by the Insurance Company, no record was found available in respect of the driving licence (Ex.R1). Learned counsel for the Insurance Company has further contended that the income of the deceased has wrongly been assessed by the Tribunal as ₹9,900/- per month taking him to be the driver of Heavy Transport Vehicle however there is no evidence to this effect. It is further the contention that the amount awarded under the head loss of consortium is not as per the law laid down.

8. Learned counsel for the claimants states that he does not challenge the deduction and the multiplier as applied by the Tribunal. However, learned counsel for the claimants would contend that the income of the deceased has rightly been assessed as ₹9,900/- per month based on his driving licence which was for driving a Heavy Transport Vehicle. As per the minimum wages, the income of a skilled worker was ₹9,900/- per month at the relevant point of time. Learned counsel for the claimants has further pointed out that only photocopies of Ex.R2 and Ex.R3 were produced on the record and none appeared to prove the said documents in accordance with law. Learned counsel for the claimants has further contended stated that the Tribunal has not made any addition towards loss of future prospects and that the amounts awarded under the conventional heads as well as under the head

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'loss of consortium' are not in accordance with the law. In support of his contention, he has relied upon the judgments of the Hon'ble Supreme Court in the cases of **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]** and **N. Jayasree & Ors. vs. Cholamandalam M.S General Insurance Company Ltd. [2021(4) RCR (Civil) 642]**.

9. Heard.

10. Since there is no challenge to the deduction and the multiplier as applied by the Tribunal, the same are maintained. The argument of learned counsel for the Insurance Company that the driving licence of the driver of the offending vehicle was fake hence recovery rights ought to have been granted to the Insurance Company, deserves to be rejected. The driving licence (Ex.R1), which the Insurance Company claims to be a fake document, was investigated through RW1 Sh. Devinder Sharma, Investigator. This witness produced on record the information received by him under the RTI Act, 2005 as Ex.R6 wherein it was stated that no record was found available in respect of the driving licence in the name of Sanjeev Kumar. Further still, a copy of the NOC was also produced as Ex.R2. Only photocopies of both these documents were produced on the record and the same were not proved in accordance with law and hence the said documents were rightly rejected by the Tribunal. The insurance policy of the offending vehicle was duly proved as Ex.R9.

11. The argument of learned counsel for the Insurance Company that the income of the deceased has wrongly been assessed as ₹9,900/- per month also deserves to be rejected in view of the fact that the deceased held the

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driving licence which had an endorsement for driving a Heavy Transport Vehicle. In view of the said driving licence, the income of the deceased has rightly been assessed as that of a skilled worker and no fault can be found with the same. Accordingly, the income of the deceased @ ₹9,900/- per month as assessed by the Tribunal is maintained. The Tribunal has not made any addition towards loss of future prospects. The deceased in the present case was 26 years of age. Hence, in view of the law laid down by the Hon'ble Supreme Court in the case of **Pranay Sethi** (supra), an addition of 40% ought to have been made. Further, the compensation awarded by the Tribunal under the conventional heads as well as under the head 'loss of consortium' is not in accordance with the law. Accordingly, 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), 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 further to an amount of ₹48,000/- each (₹40,000+20% increase) towards loss of filial consortium. Accordingly, the reworked compensation is as under:

Sr. No.	Heads	Compensation Awarded
1	Monthly Income	₹9,900/-
2	Annual Income	₹1,18,800/- [₹9,900 x 12]
3	Deduction - 50%	₹59,400/- [₹1,18,800 – 59,400]
4	Future Prospects - 40	₹83,160/- [₹59,400 + 23,760]
5	Multiplier - 17	₹14,13,720/- [₹83,160 x 17]
6	Loss of estate	₹18,000/-
7	Funeral expenses	₹18,000/-
8	Loss of consortium (i) Filial [₹48,000/- x 2]	 ₹96,000/- (Total ₹96,000/-)
	Total Compensation	**₹15,45,720/-**

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12. 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.

13. In view of the decision by the Hon'ble Supreme Court in **Parminder Singh vs. Honey Goyal & Ors. [AIR 2025 SC 1713]**, 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 percentage directed by 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.

14. In view of the above discussion, the impugned award passed by the Tribunal is modified in the above terms and the appeals filed by the Insurance Company and the claimants stand disposed off accordingly. Pending applications, if any, also stand disposed off.

25.08.2025 **(ALKA SARIN)**
jk **JUDGE**

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

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