



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

117

FAO-5861-2024 (O&M)

Date of Decision: July 31, 2025

The New India Assurance Co. Ltd.

.....Appellant

Vs.

Kulwant Kaur and others

.....Respondents

CORAM: HON'BLE MRS. JUSTICE SUDEEPTI SHARMA

Present: Mr. Ajay Singla, Advocate
for the appellant.

Mr. I.S. Kooner, Advocate
for respondent No.1.

SUDEEPTI SHARMA J. (ORAL)

1. The present appeal has been preferred by the appellant-Insurance Company challenging the quantum of compensation awarded vide Award dated 16.07.2024, passed by the learned Motor Accident Claims Tribunal, Hoshiarpur (for short, 'Tribunal') in a claim petition filed under Section 164 of the Motor Vehicles Act, 1988.

2. As sole issue for determination in the present appeal is confined to quantum of compensation awarded by the learned Tribunal, a detailed narration of the facts of the case is not required to be reproduced here for the sake of brevity.

**SUBMISSIONS OF LEARNED COUNSELS FOR THE PARTIES:-**

3. Learned counsel for the appellant-Insurance Company contends that compensation awarded by the Tribunal is on the higher side. He therefore, prays that the present appeal be allowed.

4. Per contra, learned counsel for the respondents, however, vehemently argues that the award has rightly been passed and the amount of compensation, as assessed by the learned Tribunal has rightly been granted. Therefore, he prays for dismissal of the appeal.

5. I have heard learned counsel for the parties and perused the whole record of the case.

6. A perusal of the impugned award reveals that the contention raised by the learned counsel for the appellant/insurance company that the compensation awarded to the claimant being excessive is wholly devoid of merit.

7. At the very outset, it is pertinent to note that the claim petition was filed under Section 164 of the Motor Vehicles Act, 1988, which provides for a fixed compensation in cases of death or grievous injury resulting from a motor vehicle accident, irrespective of fault or negligence. The legislative intent behind this provision is to provide swift and certain relief to the victims of motor vehicle accidents without the necessity of proving fault.

8. Under Section 164 of the Motor Vehicles Act, the only requirement for the claimant to establish the involvement of the offending vehicle in the accident. Once such involvement is proved, the claimant is entitled to a fixed compensation of Rs.5,00,000/- in



case of death and Rs.2,50,000/- in case of grievous injury, without the need to establish negligence on the part of the driver or owner.

9. Section 164 of the Motor Vehicles Act, 1988, is reproduced as under:

“Section 164. Payment of compensation in case of death or grievous hurt — (1) Notwithstanding anything contained in this Act or in any other law for the time being in force or any instrument having the force of law, the owner of the motor vehicle or the authorised insurer shall be liable to pay in the case of death or grievous hurt due to any accident arising out of the use of motor vehicle, a compensation, of a sum of five lakh rupees in case of death or of two lakh and fifty thousand rupees in case of grievous hurt to the legal heirs or the victim, as the case may be.”

10. From the findings recorded by the learned Tribunal, it is evident that the claimants have successfully established that the accident occurred due to the involvement of the offending vehicle. The grievous injuries sustained by the claimant as a result of the said accident have also been duly proved through cogent evidence on record.

11. In view of the above, the Tribunal has rightly awarded a compensation of Rs.2,50,000/-, in accordance with the statutory mandate of Section 164 of the Motor Vehicles Act. The award is in

consonance with the legislative framework and does not suffer from any legal infirmity warranting interference by this Court.

12. Accordingly, the appeal being devoid of any merit is hereby dismissed.

13. All the pending applications also stand disposed of.

(SUDEEPTI SHARMA)
JUDGE

July 31, 2025
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Whether speaking/reasoned:	Yes / No
Whether reportable:	Yes / No