

2026:PHHC:02504



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

FAO-1406-2025 (O&M)

Date of Decision: 17.02.2026

Jormal and others

....Appellants

Versus

Sahil and others

.....Respondents

**CORAM: HON'BLE MR. JUSTICE VIKRAM AGGARWAL**

Present: Mr. Kunal Phogat, Advocate, for  
Mr. Rakesh Gupta, Advocate, for the appellants.

Mr. Anil Mehra, Advocate, and  
Mr. Sidhant Mehra, Advocate,  
for respondent No.3-Insurance Company.

**VIKRAM AGGARWAL, J.**

The instant appeal has been instituted by the appellant-claimants seeking enhancement in compensation awarded by the Motor Accident Claims Tribunal, Nuh (for short 'the MACT'), on account of death of one Arshad Khan, who expired in a motor vehicular accident, which took place on 04.09.2021.

2. A claim petition under Section 166 of the Motor Vehicles Act, 1988 (for short 'the MV Act') was instituted by the parents and minor brother and sister of one Arshad Khan. It was

pleaded that on 04.09.2021 at about 9.30 a.m., respondent No.1-driver and Arshad Khan-cleaner, of the truck bearing registration No. GJ-05BX-2521 (hereinafter referred to as 'the offending vehicle') were going in the offending vehicle. The offending vehicle was being driven by respondent No.1 in a rash and negligent manner and at a very high speed as a result of which, the offending vehicle overturned. On account of the same, Arshad Khan received fatal and grievous injuries and died at the spot. FIR No. 49 dated 04.09.2021 under Sections 279, 337 and 304-A IPC was registered at Police Station Kanjipani.

Deceased-Arshad Khan was claimed to be aged 23 years at the time of accident and was earning Rs.15,000/- per month, while working as cleaner/conductor of the offending vehicle. Accordingly, compensation of Rs.50,00,000/- was claimed.

3. In the written statement filed by respondent No.1, it was asserted that the offending vehicle was insured at the time of accident and therefore, respondent No.1 was not liable to pay any compensation and liability if any, was of that of respondent No.3.

Despite service, respondents No. 2 and 2A did not put in appearance and they were accordingly proceeded against *ex-parate*.

In a separate written statement filed on behalf of respondent No.3-Insurance Company, it was pleaded that the offending vehicle was never involved in the accident and that the

claim petition was filed by the claimants in collusion with the police officials and respondent Nos. 1 and 2. It was further asserted that respondent Nos. 1 and 2 had contravened the terms of the insurance policy and, thus, respondent No.3, was not liable to pay any compensation.

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

- 1. **Whether the accident in question resulting into death of Arshad Khan, took place due to injuries sustained by him in rash and negligent driving of vehicle bearing registration No. GJ-05BX-2521 by its driver-respondent No.1? OPP**
- 2. **If issue No.1 is proved, whether the petitioners are entitled to get compensation on account of death of Arshad son of Jormal in the accident and if so, how much and from whom? OPP**
- 3. **Whether the respondent No.1 was not holding a valid and effective driving licence at the time of alleged accident? OPR-3**
- 4. **Whether the insured had violated the terms and conditions of the insurance policy? OPR-3**
- 5. **Relief.**

5. Parties led their respective evidence.

6. Vide award dated 22.08.2024, the MACT allowed the petition filed by the claimants, awarding the following compensation:-

| Sr. No. | Heads                                                                  | Calculation (in Rs.)                                                         |
|---------|------------------------------------------------------------------------|------------------------------------------------------------------------------|
| i)      | Age                                                                    | 25 years                                                                     |
| ii)     | Income                                                                 | Rs.12,674/- p.m.<br>(including future prospects @ 40%)<br>(Rs.9,053+3,621/-) |
| iii)    | 1/2 of the (i) deducted as personal expenses per month of the deceased | Rs.12,674-Rs.6,337/-<br>=6,337/-                                             |

|       |                                                |                                      |
|-------|------------------------------------------------|--------------------------------------|
| iv)   | Compensation after multiplier of 18 is applied | (Rs.6,337x12x18) =<br>Rs.13,68,792/- |
| v)    | Loss of estate                                 | Rs.18,000/-                          |
| vi)   | Loss of consortium                             | Rs.48,000/-                          |
| vii)  | Funeral expenses                               | Rs.18,000/-                          |
| viii) | Litigation expenses                            | Rs.5000/-                            |
|       | Total compensation awarded                     | Rs.14,57,792/-                       |

7. I have heard learned counsel for the parties.
8. Learned counsel for the appellants submits that the minimum wages at the relevant time were Rs.9,803/- per month and not Rs.9,053/- per month. He further submits that in view of the law laid down by the Hon’ble Apex Court in ***National Insurance Company Limited Vs. Pranay Sethi and others, (2017)16 SCC 680***, consortium ought to have been awarded to all the claimants and that the amount awarded on account of funeral expenses and loss of estate, also deserves to be enhanced.
9. *Per contra*, learned counsel appearing for respondent No.3-Insurance Company submits that the minimum wages at the relevant time were Rs.9,048/- and not even Rs.9,053/-, as assessed by the MACT. Learned counsel has referred to the minimum wages in the State of Gujarat for the relevant period, as the deceased was said to be working in Gujarat. However, learned counsel for the Insurance Company has not been able to dispute that the consortium would be payable to all the claimants and that the amount awarded towards funeral expenses and loss of estate also deserves to be enhanced terms of the ratio laid down in ***Pranay Sethi’s*** case (supra).

10. I have considered the submissions made by learned counsel for the parties.

11. No change would be there in the minimum wages as the same in the State of Gujarat, where the deceased was stated to be working, were Rs.9048/- p.m. However, the compensation on account of funeral expenses and loss of estate, deserves to be enhanced. Similarly, consortium deserves to be awarded to all the claimants.

12. In view of the above, the compensation awarded by the MACT is enhanced as under:-

| Sr. No. | Heads                                                                  | Awarded by the MACT                                                    | Enhanced Compensation       |
|---------|------------------------------------------------------------------------|------------------------------------------------------------------------|-----------------------------|
| i)      | Age                                                                    | 25 years                                                               | No change                   |
| ii)     | Income                                                                 | Rs.12,674/- p.m. (including future prospects @ 40%) (Rs.9,053+3,621/-) | No change                   |
| iii)    | 1/2 of the (i) deducted as personal expenses per month of the deceased | Rs.12,674- Rs.6,337/- =6,337/-                                         | No change                   |
| iv)     | Compensation after multiplier of 18 is applied                         | (Rs.6,337x12x18) = Rs.13,68,792/-                                      | No change                   |
| v)      | Loss of estate                                                         | Rs.18,000/-                                                            | Rs.18,150/-                 |
| vi)     | Loss of consortium                                                     | Rs.48,000/-                                                            | Rs.1,93,600/- (Rs.48,400x4) |
| vii)    | Funeral expenses                                                       | Rs.18,000/-                                                            | Rs.18,150/-                 |
| viii)   | Litigation expenses                                                    | Rs.5000/-                                                              | No Change                   |
|         | Total compensation awarded                                             | <b>Rs.14,57,792/-</b>                                                  | <b>Rs.16,03,692/-</b>       |

13. The total compensation, therefore, comes to Rs.16,03,692/-. After deducting a sum of Rs.14,57,752/- as

assessed by the MACT, the balance compensation comes to Rs.1,45,900/-. 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.

14. The present appeal is accordingly disposed of.
15. Pending application(s), if any, shall also stand disposed of.

**(VIKRAM AGGARWAL)**  
**JUDGE**

17.02.2026  
ds

|                            |        |
|----------------------------|--------|
| Whether speaking/reasoned: | Yes/No |
| Whether reportable:        | Yes/No |