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

FAO-5455-2008 (O&M)

HARDEVI AND ANR. **..Appellants**

Versus

KRISHAN KUMAR AND ORS. **..Respondents**

Reserved on: 04.02.2026
Pronounced on : 06.02.2026
Uploaded on: 06.02.2026

Whether only the operative part of the judgment is pronounced? *NO*
Whether full judgment is pronounced? *YES*

CORAM: HON'BLE MRS. JUSTICE SUDEEPTI SHARMA

Present: Mr. Anurag Jain, Advocate
for the appellants.

None for respondents No.1 and 2.

Mr. Amarinder Sidhu, Advocate
for respondent No.3-Insurance Company.

SUDEEPTI SHARMA, J.

1. The present appeal has been preferred against the award dated 13.09.2008 passed by the learned Motor Accident Claims Tribunal, Hisar (for short, 'the Tribunal') in the claim petition filed under Section 166 of the Motor Vehicles Act, 1988 for enhancement of compensation granted to the claimants to the tune of Rs.5,61,000/- along with interest @ 7% per annum, on account of death of Vasdev @ Vasudev in a Motor Vehicular Accident, occurred on 12.09.2006.

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 COUNSEL FOR THE PARTIES

3. The learned counsel appearing for the claimants–appellants contends that the compensation assessed by the learned Motor Accident Claims Tribunal is inadequate and calls for enhancement. Therefore, he prays that the present appeal be allowed.

4. Per contra, learned counsel for the respondent No.3–Insurance Company submits that the learned Tribunal has erred in law by failing to deduct the amount received by the dependants of the deceased under the Haryana Compassionate Assistance to the Dependants of Deceased Government Employees Rules, 2006. He further contends that in view of the settled legal position, the said amount is liable to be deducted while computing compensation under the Motor Vehicles Act, 1988, and consequently, the awarded compensation deserves to be reduced. Therefore, he prays for dismissal of the appeal.

5. I have heard learned counsel for the parties and perused the whole record of this case with his able assistance.

6. So far as the contention raised by the learned counsel for the respondent–Insurance Company regarding deduction of the amount received under the Haryana Compassionate Assistance to the Dependants of Deceased Government Employees Rules, 2006 is concerned, this Court finds considerable merit in the said submission. This Court, in FAO No. 1558 of 2012, titled as “Balwan Singh And Others Vs Jagbir And Others”, decided on 16.10.2025, has categorically held that where the dependants of a deceased Government employee have already been extended compensatory benefits by the employer under the aforesaid Rules, they are not entitled to receive compensation to the same extent under the Motor Vehicles Act, 1988.

7. The relevant extract of the said judgment reads as under:

> "*11. Coming to the contention of the claimants regarding the amount deducted from the total compensation on the account of the amount received by the dependents of the deceased under the Haryana Compassionate Assistance to the Dependants of Deceased Government Employees Rules, 2006, from the total compensation awarded. This contention of the claimants have no bearing in the eyes of law as it is settled principle of law that deductions can be made in the compensation to avoid double benefit to the claimants.*
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> *12. The Hon'ble Supreme Court in **Reliance General Insurance Co. Ltd. v. Shashi Sharma, 2016(9) SCC 627** held that the dependents of the deceased already benefitted by the compensatory amount received from the employer under Haryana Compassionate Assistance to the Dependants of Deceased Government Employees Rules, 2006, will not be entitled to the same amount under 1988 Act.*
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> *13. The relevant portion of the judgment is reproduced as under:*
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> > *"15. Be that as it may, the term compensation has not been defined in the Act of 1988. By interpretative process, it has been understood to mean to recompense the claimants for the possible loss suffered or likely to be suffered due to sudden and untimely death of their family member as a result of motor accident. Two cardinal principles run through the provisions of the Motor Vehicles Act of 1988 in the matter of determination of*

compensation. Firstly, the measure of compensation must be just and adequate; and secondly, no double benefit should be passed on to the claimants in the matter of award of compensation. Section 168 of the Act of 1988 makes the first principle explicit. Sub-section (1) of that provision makes it clear that the amount of compensation must be just. The word "just" means - fair, adequate, and reasonable. It has been derived from the Latin word "justus", connoting right and fair. In para 7 of State of Haryana & Anr. v. Jasbir Kaur & Ors., 2003(4) RCR (Civil) 140 : (2003) 7 SCC 484, it has been held that expression "just" denotes that the amount must be equitable, fair, reasonable and not arbitrary. In para 16 of Smt. Sarla Verma & Ors. v. Delhi Transport Corporation & Anr., 2009(3) RCR (Civil) 77 : 2009(3) Recent Apex Judgments (R.A.J.) 373 : (2009) 6 SCC 121, this Court has observed that the compensation "is not intended to be a bonanza, largesse or source of profit". That however may depend upon facts and circumstances of each case, as to what amount would be a just compensation.

16. The principle discernable from the exposition in Helen C. Rebello's case (supra) is that if the amount "would be *due to the dependants of the deceased even otherwise", the same shall not be deductible from the compensation amount payable under the Act of 1988. At the same time, it must be borne in mind that loss of income is a significant head under which compensation is claimed in terms of the Act of 1988. The component of quantum of "loss of income", inter alia, can be "pay and wages" which otherwise would have been earned by the deceased employee if he had survived the injury caused to him due to motor accident. If the dependents of the deceased employee, however, were to be compensated by the employer in that behalf, as is predicated by the Rules of 2006 - to grant compassionate assistance by way of ex-gratia financial assistance on compassionate grounds to the dependents of the deceased Government employee who dies in harness, it is unfathomable that the dependents can still be permitted to claim the same amount as a possible or likely loss of income to be suffered by them to maintain a claim for compensation under the Act of 1988."*

*14. The same principle is reiterated in the latest judgment passed by Apex Court in **<u>Krishna and others Vs. Tek Chand and others, 2025(2) PLR 95</u>**.*

Relevant paragraphs of the ***Krishna's case (supra)*** *are extracted hereinbelow:*

> *"6. We find that the observations of this Court in Sebastiani Lakra (supra) distinguishing the case of Shashi Sharma (supra) clearly applies to the case in hand. It is observed that the amount of Rs. 31,37,665/- (Rupees Thirty One Lakhs, Thirty Seven Thousand and Six Hundred and Sixty Five only) was paid to the dependents of the deceased-employee who are the petitioners herein under the aforesaid Rules since the said Rule was by way of compassionate assistance owing to the sudden death of the employee in harness for any reason whatsoever including as a result of a road traffic accident. This is in order to compensate the loss of the bread earner of the family who dies in harness.*
>
> *In the case of a motor vehicle accidents, when negligence is proved, loss of dependency is compensated for the very same reason. In our view, there cannot be a duplication in payments or a windfall owing to a misfortune. In another words, on the death of the person in harness, owing to a road traffic accident the dependents of a deceased cannot be doubly benefited as opposed to those who are dependents of a deceased who*

> *dies owing to illness or any other reason under the Rules formulated by the Haryana Government."*

> *15. In light of the aforesaid authoritative pronouncements, the deduction made by the learned Tribunal towards the compassionate assistance is liable to be upheld. Consequently, the claimants are entitled to the compensation amount only to the extent of enhancement made by this Court.*"

7. In view of the settled legal position, it is beyond any pale of doubt that the amount received by the dependants under the Haryana Compassionate Assistance to the Dependants of Deceased Government Employees Rules, 2006, is required to be deducted while determining compensation under the Motor Vehicles Act, 1988.

8. Applying the aforesaid principle to the facts of the present case, it is evident from the record that the widow of the deceased, while appearing as PW-1, (Hardevi), has categorically stated that she is receiving the salary of the deceased and shall continue to receive the same till the date on which the deceased would have attained the age of superannuation. Thus, the dependants of the deceased have already been compensated by the employer in terms of the statutory Rules.

9. It is also pertinent to note that the respondent–Insurance Company has not preferred any independent appeal challenging the award on the ground of non-deduction of the said amount awarded under Rules. In the absence of such an appeal, Insurance Company cannot raise this argument in appeal for enhancement filed by the claimants/appellants. Further keeping in view the fact that the claimants/appellants have already

received financial assistance, no case for enhancement of compensation is made out.

10. In view of the foregoing discussion, this Court finds no merit in the present appeal. The same is accordingly dismissed.

11. Pending miscellaneous applications, if any, are also disposed of.

06.02.2026 **(SUDEEPTI SHARMA)**
Ayub **JUDGE**

Whether speaking/reasoned : Yes
Whether reportable : Yes