2026:PHHC:006518

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IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH

FAO-6435-2016 (O&M)
Date of Decision : 19.01.2026

TATA AIG GENERAL INSURANCE CO. LTD. ... Appellant

VERSUS

RENU VERMA AND ORS .... Respondents

AND

FAO-629-2019 (O&M)

RENU VERMA .... Appellant

VERSUS

TATA AIG GENERAL INS. CO. LTD AND ORS .... Respondents

CORAM : HON'BLE MRS. JUSTICE ALKA SARIN

Present : Mr. Sachin Ohri, Advocate
for the appellant in FAO-6435-2016 and
for respondent No.1 in FAO-629-2019.

Mr. Manuj Nagrath, Advocate
for respondent No.1 in FAO-6435-2016 and
for the appellant in FAO-629-2019.

Mr. Vipul Sharma, Advocate for
Mr. Subhash Goyal, Advocate
for respondents No.2 and 3 in both the appeals.

ALKA SARIN, J. (ORAL)

CM-1995-CII-2019 in FAO-629-2019

1. This is an application for condonation of delay of 781 days in filing the appeal.

2. For the reasons stated in the application, the same is allowed and the delay of 781 days in filing the appeal is condoned. However, the claimant shall not be entitled to any interest for the period of delay in filing the appeal.

FAO-6435-2016 and FAO-629-2019

3. The present order shall dispose of the above noted two appeals being FAO-6435-2016 titled as 'TATA AIG General Insurance Company Limited Versus Renu Verma & Ors.' having been filed by the Insurance Company and FAO-629-2019 titled as 'Renu Verma Versus TATA AIG General Insurance Company Limited & Ors.' having been filed by the claimant, both aggrieved by the award dated 27.05.2016 passed by the Motor Accident Claims Tribunal, Ludhiana (hereinafter referred to as 'the Tribunal'). The parties are referred to as the Insurance Company, the owner, the driver and the claimant for the sake of clarity.

4. Brief facts relevant to the present *lis* are that a claim petition was filed by the mother of the deceased, namely, Rahul Verma. It was averred in the claim petition that the deceased was twenty-four and a half years of age at the time of the accident and was the proprietor of M/s Ess Dee Woolen & Silk Mills, Industrial Area, Kangra and was earning ₹60,000 per month. On the intervening night of 04/05.07.2010 the deceased was travelling in a Skoda Superb car bearing registration No.PB-10CV-2605 which was being driven by his friend, namely, Karan Vohra. While they were going back from Chandigarh to Ludhiana around midnight and when they reached near the bus stop of Village Katani Kalan, their car struck against the road divider and turned and rolled on the road. Due to the impact of the accident, Karan Vohra

fell from the car and in the meantime the car caught fire as a result of which Rahul Verma suffered severe burn injuries. Rahul Verma was taken out of the car by some persons who reached the spot and then he was taken to the hospital where he was declared dead. It was averred in the claim petition that the accident took place due to the rash and negligent driving of Karan Vohra. The offending vehicle was owned by M/s Vohra Shawls, Mochpura Bazar, Ludhiana and was insured with the present Insurance Company. A DDR was recorded in this regard being DDR No.7 dated 05.07.2010. It was further the case set up that the father of the deceased later on learnt from the eyewitness that the car was being driven in a rash and negligent manner by Karan Vohra which resulted in the accident. It was pleaded that another DDR being DDR No.5 dated 10.07.2010 was recorded on the basis of the statement of Karan Vohra i.e. the driver of the offending vehicle.

5. Joint written statement was filed by the owner and the driver of the offending vehicle claiming that the claim petition was bad for non-joinder of necessary parties. On merits it was admitted that the car was being driven by Karan Vohra and Rahul Verma was also travelling with him in the said car. However, it was denied that the car was being driven in a rash and negligent manner. The Insurance Company filed its separate written statement raising various preliminary objections. It was the case set up by the Insurance Company that the driver of the offending vehicle was Rahul Verma (the deceased) who was not holding a valid and effective licence. It was further the stand taken that Rahul Verma (the deceased) was driving the car in a rash and negligent manner and was under the influence of liquor.

6. On the basis of the pleadings of the parties, the following issues were framed :

1. Whether Rahul Verma died in the motor vehicular accident, which occurred on 4/5.7.2010 at 12.00 night near adda Katani Kalan, Ludhiana due to rash and negligent driving of Skoda Superb Car No.PB-10CV-2605 by respondent no.1 ? OPP

2. Whether the claimant is the legal representative of Rahul Verma deceased ? OPP

3. Whether respondent no. 1 was not holding valid and effective driving licence at the time of accident ? OPR-3

4. To what amount of compensation, the claimant is entitled for and from which of the respondents ? OPP

5. Relief.

7. The Tribunal, holding that Karan Vohra was driving the car in a rash and negligent manner, held the Insurance Company liable to pay the compensation and awarded the following compensation :

Sr. No.	Heads	Compensation Awarded
1.	Monthly income	₹6,000
2.	Annual income	[₹6,000 x 12] = ₹72,000
3.	Deduction @50%	[₹72,000 - ₹36,000] = ₹36,000
4.	Multiplier of '18'	[₹36,000 x 18] = ₹6,48,000
5.	Funeral expenses	₹25,000
6.	Loss of love and affection	₹50,000
	Total Compensation	**₹7,23,000**
	Interest	**@ 6% per annum**

8. Learned counsel for the Insurance Company has contended that Karan Vohra was not driving the offending vehicle and it was the deceased himself who was driving the vehicle as is evident from Ex.R6 i.e. the report submitted by one of their investigators. It is further contended that the eyewitness had stated that it was an act of God and as such the claim petition ought to have been dismissed.

9. *Per contra*, learned counsel for the claimant has contended that the eyewitness neither in his affidavit filed in the Examination-in-Chief nor in his cross-examination has made any such statement that it was an act of God. Rather the eyewitness, who appeared as PW3, was categorically asked if Rahul Verma was driving the vehicle under the influence of liquor and he stated that it was Karan Vohra who was driving the vehicle, as is stated in his affidavit also. In the cross-examination conducted by the counsel for the owner and the driver the said witness stated that the accident took place as per the wish of the God. However, in the cross-examination conducted by the counsel for the Insurance Company, he clearly stood by the contents of the affidavit.

10. On quantum, learned counsel for the claimant has contended that though the claimant does not challenge the income as assessed, the deduction and the multiplier as applied by the Tribunal, however, no addition is made towards future prospects and that the amounts awarded under the conventional heads i.e. loss of estate and funeral expenses and under the head loss of consortium are not in accordance with the law laid down by 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]**.

11. *Per contra*, the learned counsel for Insurance Company has vehemently argued that sufficient amount has already been awarded as compensation in the present case and that there is no scope of any enhancement.

12. Heard.

13. In the present case, the argument of the learned counsel for the Insurance Company that the deceased himself was driving the vehicle under the influence of the liquor and as such the Tribunal ought to have dismissed the claim petition, deserves to be rejected. Learned counsel for the Insurance Company has relied upon Ex.R6 to contend that the same is the investigation report by one of their investigators who has stated that the injuries received by the deceased could not have been received by him while travelling as a passenger. However, the said report was only tendered into evidence, and none appeared in the witness box to prove the said report. Even the investigator did not bother to step into the witness box to face the cross-examination. Though in the said report the investigator has stated that it is proved on the record that the deceased Rahul Verma was driving the vehicle, however, it is not clear as to how the said conclusion was arrived at. In any case, in the absence of any person having stepped into the witness box to prove the said report, no reliance can be placed on the same. The argument of the

learned counsel for the Insurance Company that the eyewitness has stated in his cross-examination that it was the act of God also deserves to be rejected. A perusal of the statement of PW3 Davinder Singh reveals that in his cross-examination conducted by the counsel for the Insurance Company he has clearly stated that the vehicle was being driven by Karan Vohra as is also mentioned in his affidavit. In the cross-examination conducted by the learned counsel for the owner and the driver he stated that the accident took place as per the wish of the God. The same cannot be read to mean that there was no fault of the driver or that the car was not being driven rashly or negligently especially in view of the unshaken testimony of the eyewitness PW3 Davinder Singh. Further still, the argument of the learned counsel for the Insurance Company that the driver was Rahul Verma (the deceased) is based on assumptions and presumptions whereas the fact that Rahul Verma (the deceased) was sitting on the passenger seat was duly proved by cogent evidence having been led by the claimant.

14. In view of the above, the appeal being FAO-6435-2016 filed by the Insurance Company stands dismissed.

15. Qua the appeal being FAO-629-2019 filed by the claimant for enhancement of the compensation, since there is no challenge to the income as assessed, the deduction and the multiplier applied by the Tribunal, the same are maintained. No addition has been made towards future prospects. Hence, as per the law laid down by the Hon'ble Supreme Court in the case of **Pranay Sethi** (supra), 40% addition is made towards future prospects. The amounts awarded under the conventional heads i.e. loss of estate and funeral expenses

are not in consonance with 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). Accordingly, the claimant would be entitled to ₹18,000 (₹15,000 + 20% increase) towards loss of estate and ₹18,000 (₹15,000 + 20% increase) towards funeral expenses. As per the law laid down by the Hon'ble Supreme Court in the case of **Magma General Insurance Company Limited** (supra), the claimant and proforma respondent No.4, being the parents of the deceased, would be entitled to compensation under the head loss of consortium i.e. filial consortium to the tune of ₹48,000 each.

16. Accordingly, the reworked compensation to which the claimant is entitled to is as under :

Sr. No.	**Heads**	**Compensation Awarded**
1.	Monthly income	₹6,000
2.	Annual income	[₹6,000 x 12] = ₹72,000
3.	Deduction @50%	[₹72,000 - ₹36,000] = ₹36,000
4.	Future prospects @40%	[₹36,000 + ₹14,400] = ₹50,400
5.	Multiplier of '18'	[₹50,400 x 18] = ₹9,07,200
6.	Funeral expenses	₹18,000
7.	Loss of estate	₹18,000
8.	Loss of consortium (i) Filial	 [₹48,000 x 2] = ₹96,000
	Total Compensation	**₹10,39,200**

17. 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. However, the claimant shall not be entitled to any interest for the period of delay in filing

the appeal.

18. 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 Insurance Company in the bank account of the claimant and proforma respondent No.4 within a period of six weeks from today. The particulars of the bank account along with the requisite documents in support thereof shall be furnished by the claimant to Insurance company within a period of two weeks from today and needful shall be done by Insurance Company after verification thereof within a period of four weeks thereafter along with up-to-date interest. The compliance shall be reported by the Bank to the Tribunal concerned.

19. In view of the above discussion, the appeal filed by the Insurance Company being FAO-6435-2016 is dismissed and the appeal filed by the claimant being FAO-629-2019 is allowed and the award passed by the Tribunal is modified accordingly. Pending applications, if any, also stand disposed off.

19.01.2026 **(ALKA SARIN)**
Aman Jain **JUDGE**

NOTE: Whether speaking/non-speaking: Speaking
Whether reportable: Yes/No