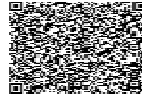


2026:PHHC:013783



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

FAO-55-2025 (O&M)

Date of Decision: 28.01.2026

Kiran Devi and others

....Appellants

Versus

Kuldeep Singh and another

.....Respondents

CORAM: HON'BLE MR. JUSTICE VIKRAM AGGARWAL

Present: Mr. Narender Kaajla, Advocate, for the appellants.

Mr. Vinod Gupta, Advocate, for respondent No.2.

VIKRAM AGGARWAL, J.

The instant appeal has been instituted by the appellant-claimants seeking enhancement in compensation awarded by the Motor Accident Claims Tribunal, Hisar (for short 'the MACT'), on account of death of one Mahabir, who expired in a motor vehicular accident, which took place on 02.10.2022.

2. A claim petition under Section 166 of the Motor Vehicles Act, 1988 (for short 'the MV Act') was instituted by the widow; son, daughter-in-law and two daughters of one Mahabir. It was pleaded that on 02.10.2022, Mahabir along with his son Rajesh, was returning from Neoli bridge to Hisar in a Santro Car bearing Registration No. HR-20S-8819, being driven by one Rajesh. When they reached near Peer Baba Mandir at Sirsa Bypass, Hisar, a Canter bearing Registration No. HR-39E-1395

(for short `the offending vehicle`), being driven by respondent No.1 in a rash and negligent manner and at a very high speed, came from Delhi side and hit straight into the Santro car. As a result of the said accident, Mahabir and Rajesh received multiple grievous injuries. Respondent No.1 fled from the spot. Mahabir was taken to General Hospital, Hisar, where he was declared brought dead by the Doctor. On the statement of Rajesh, son of deceased-Mahabir, FIR No. 903 dated 03.10.2022 under Sections 279, 304-A, 337, 338, 427 IPC was registered at Police Station, City Hisar.

It was claimed that at the time of the accident, deceased-Mahabir was aged 49 years and was working as an electrician earning Rs.15,000/- per month. It was further claimed that the claimants were fully dependent upon deceased-Mahabir and they had no other source of income. Accordingly, compensation of a sum of Rs.50 Lakh was claimed.

3. Respondent No.1 (owner and driver of the offending vehicle) contested the petition by filing written statement, taking preliminary objections regarding cause of action; locus standi, non-joinder of necessary parties; estoppel and maintainability.

On merits, the factum of the accident having taken place due to the negligence of respondent No.1, was denied. The compensation claimed was termed to be highly exaggerated. In the alternative, it was pleaded that if the MACT came to the conclusion that respondent No.1 was responsible for the accident in question, liability should be fastened upon respondent No.2-Insurance Company.

Respondent No.2-Insurance Company filed its separate written statement taking preliminary objections regarding collusion between the claimants and respondent No.1; maintainability, etc. On merits, it was averred that driver of the offending vehicle was not holding a valid driving licence and that the information regarding the accident was not given to the Insurance Company. It was further asserted that respondent No.1 had violated the terms and conditions of the insurance policy. Rest of the averments of the claim petition were denied.

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

- 1. Whether the accident in question occurred due to rash and negligent driving of the offending vehicle bearing registration No. HR-39E/1395 resulting into the death of Mahabir? OPP**
- 2. Whether the petitioners are entitled to recover the compensation from the respondents, if so, to what extent and from whom? OPP**
- 3. Whether the Insurance company is not liable to pay compensation as respondent No.1 has violated and contravened the insurance policy? OPR**
- 4. Whether the present petition is not maintainable? OPR**
- 5. Relief.**

5. Parties led their respective evidence.

6. Vide award dated 13.08.2024, the MACT allowed the petition filed by the claimants, awarding the following compensation:-

Sr. No.	Heads	Calculation (in Rs.)
i)	Age	49 years
ii)	Income	Rs.12,250/- (including future prospects) (Rs.9800+2450/-)
iii)	1/4 of the (i) deducted as personal expenses per month of the deceased	Rs.12,250-3062/- =9,188/- (say Rs.9,200/-)
iv)	Compensation after multiplier of 13 is applied	9200x12x13 = Rs.14,35,200/-
v)	Loss of estate	Rs.15,000/-
vi)	Loss of consortium to petitioners No.1 to 5	Rs.2,00,000/- (Rs.40,000/- to each of the petitioners)
vii)	Funeral expenses	Rs.15,000/-
	Total compensation awarded	Rs.16,65,200/-

7. Seeking enhancement in the said compensation, the appellant-claimants have filed the instant appeal.

8. I have heard learned counsel for the parties.

9. The solitary argument raised by learned counsel for the appellants is that deceased Mahabir, was working as an electrician and to prove the same, PW3-Sunil Kumar, had duly been examined. He submits that despite the aforesaid evidence having been produced, the MACT has erred in holding that it had not been proved that deceased-Mahabir was working as an electrician. He submits that the MACT, therefore, erred in assessing the income of the deceased as Rs.9,800/- per month, based upon minimum wages of an unskilled labourer prevailing at the relevant time.

Learned counsel also submits that in terms of the law laid down by the Hon'ble Supreme Court in **National Insurance Company Limited vs. Pranay Sethi and Ors., 2018**

(2) SCC (cri) 205 and Magma General Insurance Company Ltd. vs. Nanu Ram @ Chuhru Ram, (2018) 18 SCC 130, the amount awarded on account of consortium; funeral expenses and loss of estate, also deserves to be enhanced.

10. *Per contra*, learned counsel representing respondent-Insurance Company, submits that there is no illegality in the findings recorded by the MACT because PW3-Sunil Kumar, had completely faltered in his cross-examination, which duly proved that deceased-Mahabir was not working as an electrician. Learned counsel further submits that under the circumstances, the MACT rightly assessed the income of the deceased as Rs.9,800/- per month, treating him to be an unskilled labourer. However, he could not deny the factum of the consortium/filial compensation being payable in terms of the judgment of the Hon'ble Supreme Court of India in the case of **Pranay Sethi** (supra).

11. Having considered the submissions made by learned counsel for the appellants, this Court finds no illegality in the findings recorded by the MACT. PW3-Sunil Kumar, stepped into witness box and in his examination-in- chief, he stated that deceased Mahabir was an employee with him and was working as an electrical mechanic and was getting Rs.15,000/- per month. He also deposed that Mahabir also had extra income of Rs.2000/- per month. Salary certificate (Exhibit P.1) was produced on record. As per the salary certificate, Mahabir was a permanent employee of Sunil Kumar and had been working with him since 2014. However, in the cross-examination, he stated

that Exhibit P.1, had been received by him along with summons 10 days before he had appended his signatures on the same, in the presence of a process server. He stated that the salary was being paid in cash. No appointment letter had been issued. He did not know any exact date or month of appointment of Mahabir. He stated that he was not maintaining any ledger account regarding salary paid to Mahabir and that he had no employee other than Mahabir. He had also not maintained any attendance register. He then stated that Mahabir did not have any Diploma regarding electrical work. This clearly shows that the said witness was produced only to project Mahabir as an electrician and his cross-examination totally shattered his version in the examination-in-chief.

12. No doubt, the MV Act is a welfare legislation and strict Rules of evidence do not apply to the proceedings under the said Act. However, it has to be borne in mind that false claims are not to be entertained. The cross-examination of Sunil Kumar clearly shows that he was not at all a reliable witness.

13. Under the circumstances, this Court finds that the MACT did not commit any illegality in treating deceased-Mahabir, as an unskilled labourer and assessing his income as Rs.9,800/- per month.

14. However, in terms of the ratio laid down by the Supreme Court of India in the case of **Pranay Sethi** (supra), filial consortium, @ Rs.48,400/-, was required to be granted. Still further, for funeral expenses and loss of estate, Rs.18,150/- under each head, was also required to be awarded.

15. Having considered the submissions made by learned counsel for the parties, the compensation awarded by the MACT is enhanced as under:-

Sr. No.	Heads of Claim	Awarded by MACT	Enhanced compensation
i)	Age	49 years	No change
ii)	Income	Rs.12,250/- (including future prospects) (Rs.9,800+2450/-)	No change
iii)	1/4 of the (i) deducted as personal expenses per month of the deceased	Rs.12,250-3062/- =9,188/- (say Rs.9,200/-)	No change
iv)	Compensation after multiplier of 13 is applied	9200x12x13 = Rs.14,35,200/-	No change
v)	Loss of estate	Rs.15,000/-	Rs.18,150/-
vi)	Loss of consortium to claimants/appellants	Rs.2,00,000/- (Rs.40,000/- to each of the petitioners)	Rs.2,42,000/- (Rs.48,400X5)
vii)	Funeral expenses	Rs.15,000/-	Rs.18,150/-
	Total compensation awarded	Rs.16,65,200/-	Rs.17,13,500/-

16. The total compensation, therefore, comes to Rs. Rs.17,13,500/-. After deducting a sum of Rs.16,65,200/- as assessed by the MACT, the balance compensation comes to Rs.48,300/-. 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.

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

(VIKRAM AGGARWAL)
JUDGE

28.01.2026
ds

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