



FAO-2697-2025 (O&M)

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

(120)

FAO-2697-2025 (O&M)
Date of decision:- 02.05.2025

ICICI Lombard General Insurance Company Limited ... Appellant

Versus

Mahtab and others ... Respondents

CORAM: HON'BLE MR. JUSTICE SUVIR SEHGAL

Present:- Mr. Sachin Ohri, Advocate and
Mr. Sachin Gupta, Advocate
for the appellants.

SUVIR SEHGAL, J. (ORAL)

1. This appeal has been filed under section 173 of the Motor Vehicles Act, 1988 (for brevity "MV Act") by the Insurance company, assailing award dated 19.03.2025, whereby a petition, preferred by claimants/respondent no.1 to 4, for grant of compensation on account of death of Sameer, has been partly accepted.

2. Facts, in brief, leading to the filing of the appeal are that on 28.04.2023, Sameer, along with his father Mahtab, were going to Jalapur-Sanoli road to collect garbage. A Splendor motorcycle bearing registration no. UP-19-H-2981, which was being carelessly driven by Tahir- Respondent No.5 hit the deceased and the motorcyclist sped from the accident spot. Sameer sustained grievous injuries and he was taken to the Civil Hospital, Panipat. He was referred to PGIMS, Rohtak, where he succumbed to injuries. An FIR



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No.99 dated 01.05.2023 was lodged under Sections 279, 337 and 304-A IPC at Police Station Sanoli, Panipat. Claimants filed a petition under MV Act for grant of compensation on account of death of Sameer, which has been partly accepted vide impugned award and they have been granted compensation of Rs.24,97,304/-. The owner, driver as well as the insurance company have been held liable to pay the compensation, alongwith interest at rate of 9% per annum, from the date of filing of the claim petition.

3. While making a reference to the judgements of the Supreme Court, counsel for the appellant urges that the compensation awarded by the Tribunal is excessive and deserves to be reduced.

4. Issue notice of motion restricted to claimants-respondents No.1 to 4.

5. Mr. Vishal Jassal, Advocate accepts notice on behalf of respondents No. 1 to 4 and has filed Power of Attorney, which is taken on record. He has supported the award passed by the Tribunal.

6. I have heard counsel for the parties and have considered their respective submissions.

7. Appellant has not disputed the factum of accident. There is no challenge to the findings recorded by the Tribunal under Issue No.1 regarding the rash and negligent driving of respondent No.5, which resulted in the death of Sameer. Therefore, the findings recorded by the Tribunal under Issue No.1 are affirmed. Tribunal found that the driver of the offending vehicle was holding of valid driving license, Ex.R-1, and the vehicle was insured under the insurance policy, Ex.R-3.

8. Deceased, who was 21 years of age, was earning a living by collecting



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garbage. There can be no proof of his earnings. Tribunal has assessed his income at Rs.10,089/- per month on the basis of notified minimum wages. This figure deserves to be altered. As per notification bearing No. I.R.-2/2023/9838-9968 dated 26.04.2023 circulated by the Labour Department, Government of Haryana, the minimum wages notified for an unskilled labour is Rs.10,532.84/-, i.e., Rs.10,533/-, rounded off. Concededly, deceased was a bachelor at the time of the unfortunate accident. A cut off 1/2 has to be applied in view of the judicial precedents. Multiplier of 18 applied by the Tribunal does not require change, however, the amount awarded under conventional heads, i.e., for funeral expenses, loss of estate and loss of consortium deserves to be enhanced.

9. In the light of the guidelines laid down by the Supreme Court in **Smt. Sarla Verma and others Versus Delhi Transport Corporation and another, (2009) 6 SCC 121**; **National Insurance Company Ltd. Versus Parnay Sethi, (2017) 16 SCC 680** and **Magma General Insurance Company Ltd. Versus Nanu Ram @ Chuhru Ram and others, (2018) SCC 130**, compensation amount has to be altered. This Court is of the view that head-wise computation of compensation deserves to be modified as below:-

| Sr. No. | Heads | Compensation Awards |
|---------|--|--|
| 1 | Monthly Income | Rs.10,533/- |
| 2 | Future prospects | Rs.4,213.20/- (40% of Rs. 10,533/-) |
| 3 | Deduction towards personal expenditure 1/2 | Rs.14,746.20/- x 1/2 |
| 4 | Total Monthly Income | Rs.7373.10/- (Rs.14,746.20/- subtract Rs.7373.10/-) |
| 5 | Multiplier | 18 |
| 6 | Annual dependency | Rs.15,92,589.60/- (Rs.7373.10/- x 12 x 18) |



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|----|--------------------|-------------------------------|
| 7 | Loss of Consortium | Rs.1,92,000/- (Rs.48,000 x 4) |
| 8 | Funeral expenses | Rs.18,000/- |
| 9 | Loss of Estate | Rs.18,000/- |
| 10 | Total compensation | Rs.18,20,589.60/- |

10. Accordingly, the claimants are entitled to the compensation of Rs.18,20,600/- (rounded off), which shall be payable to claimants- respondents No.1 to 4 with interest @ 7.5% per annum from the date of the filing of the claim petition.

11. Appeal is disposed off.

12. As Appeal has been decided, pending applications, if any, are disposed off.

13. The statutory amount deposited by the appellant-insurance company in the registry is ordered to be refunded to the appellant.

(SUVIR SEHGAL)
JUDGE

02.05.2025
Kamal

| | |
|---------------------------|--------|
| Whether Speaking/Reasoned | Yes/No |
| Whether Reportable | Yes/No |