



FAO-2390-2007 (O&M)

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

**FAO-2390-2007 (O&M)
Date of Decision: 10.02.2025**

Narinder Kaur and anotherAppellants

Vs.

Devi Dayal and othersRespondents

CORAM: HON'BLE MRS. JUSTICE SUDEEPTI SHARMA

Present: Mr. Harmeet Singh, Advocate,
for the appellants.

Mr. Vinod Gupta, Advocate,
for respondent No.3-Insurance Company.

SUDEEPTI SHARMA J. (ORAL)

1. The present appeal has been preferred against the award dated 11.11.2006 passed in the claim petition filed under Section 166 of the Motor Vehicles Act, 1988 by the learned Motor Accident Claims Tribunal, Ludhiana (for short, 'the Tribunal') for enhancement of compensation, granted to the appellants/claimants to the tune of Rs.50,000/- under **no fault liability**, along with interest at the rate of 7.5% per annum, on account of death of Namdeep Singh in a Motor Vehicular Accident, occurred on 23.05.2003.

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 reproduced and is skipped herein for the sake of brevity.



SUBMISSIONS OF THE LEARNED COUNSELS FOR THE PARTIES

3. The learned counsel for the appellants/claimants contends:-
- i) That the learned Tribunal has held that it was established that deceased-Namdeep Singh died in motor vehicular accident occurred on 23.05.2003. He further contends that the learned Tribunal has granted the compensation to the tune of Rs.50,000/- on account of no fault liability under Section 140 of the Motor Vehicles Act.
- ii) That since Section 140 has now been substituted with Section 164 of the Motor Vehicles Act, therefore, compensation to be enhanced as per latest law. He placed reliance upon the judgment rendered by Hon'ble the Supreme Court in the case of **Ram Murti and others Vs. Punjab State Electricity Board [2022(4) TAC 738]** wherein it was held that Section 164 of the Motor Vehicles Act, 1988 (Act 32 of 2019 w.e.f 01.04.2022) provides for payment of compensation of Rs.5 lakhs in case of death and Rs. 2.5 lakhs in the case of grievous hurt.
- Therefore, he prays that the present appeal be allowed and compensation be enhanced, as per latest law.
4. *Per contra*, learned counsel for respondent No.3-Insurance Company, however, vehemently argue that the award has rightly been passed by the learned Tribunal and the amount of compensation as assessed by it has rightly been granted to the appellants/claimants. Therefore, he prays for dismissal of the present appeal.



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

6. A perusal of the award shows that learned Tribunal has awarded a meager amount of Rs.50,000/- on the ground of “no fault liability”. Therefore, the award requires indulgence of this Court.

7. Hon’ble the Supreme Court in *Ram Murti’s case (supra)* has held as under:-

“2. The appeal has arisen from a judgment of a Single Judge of the High Court of Punjab & Haryana dated 10 March 2009 in FAO No 1461 of 1994.

3. The High Court was considering an appeal arising from an award of the Motor Accident Claims Tribunal, Bhatinda dated 12 April 1994. The Tribunal dismissed the application filed by the appellants under Section 166 of the Motor Vehicles Act 1988. However, the claim under Section 140 was allowed and the appellants were held entitled to receive an amount of Rs 25,000 on account of the death of Ved Parkash.

4. The High Court has affirmed the judgment of the Tribunal in regard to the dismissal of the claim under Section 166 of the Motor Vehicles Act 1988. However, having due regard to the amendment of the provisions of Section 140 in 1994, the amount payable has been enhanced from Rs 25,000 to Rs 50,000.

5. We have heard Mr Narender Singh Yadav, counsel appearing on behalf of the appellants and Ms. Uttara Babbar, counsel for the respondent.

6. There is no cogent basis for this Court to entertain the challenge against the findings of fact which have been recorded concurrently by the Tribunal and by the High Court while



dismissing the claim under Section 166 of the Motor Vehicles Act 1988.

7. *The provisions of Section 140 which formed a part of Chapter 10 of the Motor Vehicles Act, 1988 were omitted by Act 32 of 2019. Simultaneously, Chapter 11 was substituted of which Section 164 provides for payment of compensation in the case of death in the amount of Rs 5 lakhs and in the case of grievous hurt of Rs 2.5 lakhs.*

8. *We are inclined to give the appellants the benefit of the beneficial provisions which have been enacted by Parliament. Hence, in modification of the order of the High Court, we direct that the appellants shall be entitled to an amount of Rs 5 lakhs as compensation. However, if the amount of Rs 50,000 which has been awarded by the High Court has already been paid over, the balance (or the entirety of Rs 5 lakhs if no amount has been paid) shall be paid over to the appellants by 30 November 2022.”*

8. In view of the law laid down by Hon’ble the Supreme Court in the above referred to judgments, the present appeal is allowed. The award dated 11.11.2006 is hereby set aside and the appellants/claimants are held entitled to compensation to the tune of Rs.5,00,000/-.

9. So far as the interest part is concerned, as held by Hon’ble the Supreme Court in **Dara Singh @ Dhara Banjara Vs. Shyam Singh Varma** 2019 ACJ 3176 and **R. Valli and Others VS. Tamil Nadu State Transport Corporation** (2022) 5 Supreme Court Cases 107, the appellants/claimants are granted the interest @ 9% per annum on the enhanced amount from the date of filing of claim petition till the date of its realization.



10. The respondent No.3-Insurance Company is directed to deposit the enhanced amount of compensation along with interest with the Tribunal within a period of two months from the date of receipt of copy of this judgment. The Tribunal is further directed to disburse the enhanced amount of compensation along with interest in the accounts of the appellants/claimants, as per award dated 11.11.2006. The appellants/claimants are directed to furnish their bank accounts details to the learned Tribunal.

11. Respondent No.3-Insurance Company is hereby directed to disburse the current scheduled fees to Mr. Vinod Gupta, Advocate, within a period of 20 days from the date of receipt of the copy of this judgment, in view of the order dated 18.07.2024 passed in FAO No.1682 of 2007 by this Court.

12. Pending applications, if any, also stand disposed of.

(SUDEEPTI SHARMA)
JUDGE

10.02.2025

Virrendra

Whether speaking/non-speaking : Yes

Whether reportable : Yes/No