



IN THE HIGH COURT OF PUNJAB & HARYANA
AT CHANDIGARH

FAO-2932-2002

NEELAM AND ANOTHER

...APPELLANTS

VERSUS

PUNJAB STATE AND ANOTHER

...RESPONDENTS

1.	Judgment reserved on	02.07.2026
2.	Judgment pronounced on	29.07.2026
3.	Judgment uploaded on	29.07.2026
4.	Whether only operative part of the judgment is pronounced or whether the full judgment is pronounced.	Full
5.	The delay, if any of the pronouncement of full judgment and reason thereof.	Nil

CORAM: HON'BLE MR. JUSTICE YASHVIR SINGH RATHOR

Argued by: Mr. Mayank Vashishth, Advocate for
Mr. Prateek Mahajan, Advocate
for the appellants.

Ms. Niharika Sharma, AAG Punjab.

YASHVIR SINGH RATHOR. J.(Oral)

1. This appeal has been instituted against the Award dated 18.03.2002 for enhancement of the compensation awarded in MACT Case No.70 of 2000 decided by the Motor Accident Claims Tribunal, Amritsar (**for short “Tribunal”**) in a petition under Section 166 of Motor Vehicles Act, 1988 (**hereinafter referred to as ‘Act’**) along with petition under Section 140 of the Act vide which a sum of Rs.50,000/- has been awarded as compensation to the claimants on account of the death of Roshan Lal in a motor vehicular accident.



2. From the pleadings of parties, following issues were framed by the learned Tribunal:-

- “1. *Whether the petitioners are legal heirs/representatives of Roshan Lal (deceased). If so, whether they are entitled to file this claim-petition? OPA*
2. *Whether the claim petition, as filed, is maintainable? OPA*
3. *Whether Roshan Lal died on account of injuries, suffered by him in a road side accident on account of bursting of tyre of a bus bearing registration No.PB-02-F-9914, being driven by deceased himself on 14.5.2000 in the are of Canal Bridge Sirhand? OPA*
4. *Whether the petitioners are entitled to any compensation. If so, how much and from which of the respondents? OPA*
5. *Relief.”*

3. Thereafter, the parties led evidence in support of their case.

4. After hearing the parties and going through the material on the file, the learned Tribunal dismissed the claim petition of the appellants on the ground that the accident occurred due to a tyre burst and there was no rash or negligent driving on the part of any other vehicle or person, which is a pre-condition for claiming compensation under Section 166 of the Act. The learned Tribunal also rejected the application of the appellants to amend the petition to convert it into one under Section 163-A of the Act in view of the bar contained under Section 163-B of the Act, as they had already received interim compensation of Rs.50,000/- under Section 140 of the Act.

5. Feeling aggrieved, the appeal in hand has been preferred. The material on file has been perused and parties have been heard.



6. The only issue required to be determined in the present appeal relates to the maintainability of the claim and the assessment/enhancement of compensation. Therefore, the entire facts regarding the manner of accident are not required to be reproduced in detail, as the Tribunal has already held that the accident in question had taken place on 14.05.2000 on account of use of the bus bearing registration No.PB-02-F-9914 which is owned by the respondents and driven by the deceased Roshan Lal, who died on the spot. No appeal or cross-objections have been filed by the respondents, challenging the factum of the accident or the relationship of the parties, and accordingly the findings of the learned Tribunal on those aspects do not require any interference.

7. Learned counsel for the appellants argued that initially the claim petition was filed under Section 166 of the Act and now Section 164 has been inserted in place of Section 163-A in the Motor Vehicles Act, according to which, the claimants are entitled to the compensation to the extent of Rs.5,00,000/- on account of death of deceased, namely, Roshan Lal on whom the claimants were dependent. Learned counsel further contended that Hon'ble Supreme Court in 2023 ACJ 631 **Ram Murti & Ors. Vs. Punjab State Electricity Board** has retrospectively applied the provision contained in Section 164 of the Act and has granted compensation to the tune of Rs.5,00,000/- in the case of death which had taken place prior to Motor Vehicles (Amendment) vide Act No.32 of 2019 and the claimants too are thus entitled to enhanced compensation.

8. On the other hand, learned counsel for the respondents argued that the judgment in **Ram Murti's case (supra)** is not applicable in the present case and sufficient amount has already been awarded as compensation and there is no scope for further enhancement.



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

"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.5,00,000/- and in the case of grievous hurt of Rs.2,50,000/-.

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.5,00,000/- 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.5,00,000/- if no amount has been paid) shall be paid over to the appellants by 30 November 2022."

10. In **Ram Murti's case (supra)**, the petition was filed under Section 166 of the Motor Vehicles Act, 1988, which had been dismissed. The accident had taken place when Section 164 of the Act had not come into existence. However, Hon'ble Supreme Court observed that the Motor Vehicles Act is a beneficial provision and applied the beneficial provision of Section 164 of Motor Vehicles Act retrospectively in cases of no-fault liability under Section 163-A and awarded a lump sum compensation of Rs.5,00,000/- to the claimants in a death case.

11. In the present case, the accident took place on 14.05.2000, resulting in death of Roshan Lal on account of use of vehicle. The claim petition was filed under Section 166 of the Act which had been dismissed. Now Section 164 of the Act has replaced the previous Section 163-A vide Act No.32 of 2019 w.e.f. 09.08.2019, according to which, there is no cap on annual income and in case of



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death, the claimants are entitled to compensation to the extent of Rs.5,00,000/- under 'no-fault liability'. Accordingly, in view law laid down in **Ram Murti's case (supra)**, it is held that the claimants are also entitled to compensation of **Rs.5,00,000/-** on account of death of Roshan Lal.

12. As a result of the aforesaid discussion, the present appeal is partly allowed and the appellants are held entitled to enhanced compensation of **Rs.4,50,000/- (Rs.5,00,000/- - Rs.50,000/- already received as interim compensation under Section 140)** along with interest @ 9% per annum from the date when Section 164 of the Act came into force i.e. 01.09.2019, till realization, payable by respondents, jointly and severally.

13. Registry is directed to email the authenticated copy of the award to the respondents/Insurance Companies in terms of directions issued by the Hon'ble Supreme Court in Writ Petition (Civil) No.534 of 2020 titled **Bajaj Allianz General Insurance Company Versus Union of India and others**, decided on 16.03.2021 and Insurance Companies shall comply with the directions as issued under Clause (F) of the said judgment.

14. Pending misc. application (s), if any, shall also stand disposed of.

29.07.2026
Vishal Vardhan

(YASHVIR SINGH RATHOR)
JUDGE

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