



IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH

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FAO-6160-2023 (O&M)

Date of Decision: 27.02.2026

Paramjit Singh and others

....Appellants

Versus

Narinder Singh and others

...Respondents

CORAM: HON'BLE MS. JUSTICE NIDHI GUPTA

Present: - Mr. Kuljit Singh Bal, Advocate for the appellants.

NIDHI GUPTA, J.

CM-21254-CII-2023

1. Prayer in this application filed under Section 5 of the Limitation Act, 1963 is for condonation of delay of 74 days in filing the accompanying appeal.

2. Heard.

3. For the reasons mentioned in the application which is supported by an affidavit, the same is allowed and delay of 74 days in filing the present appeal is condoned.

FAO-6160-2023

1. The appellant-claimants have filed the present appeal seeking enhancement of the compensation amount of ₹19,97,800/- awarded by the Motor Accident Claims Tribunal, Amritsar (for short-‘the learned Tribunal) vide Award dated 01.05.2023, passed in MACP No. 59 of 2021 dated 28.04.2021 filed under Section 166 of the Motor Vehicles Act, 1988. The 05 claimants are the: i) 57-year-old father; ii) 30-year-old



widow; iii) 2 minor children; and iv) 57-year-old mother of deceased-Gurmeet Singh, who was 30 years old at time of accident.

2. Brief facts of the case are that the learned Tribunal on the basis of pleadings and evidence adduced before it concluded that deceased-Gurmeet Singh, had died due to the injuries suffered by him in a motor vehicular accident that took place on 21.04.2021 due to the rash and negligent driving of Truck/Trolla bearing registration No. PB-05-N-9833 (hereinafter ‘the offending vehicle’) by respondent No.2-Satnam Singh; owned by respondent No. 1-Narinder Singh; and insured by respondent No. 3-Insurance Company. Ld. Tribunal awarded compensation as above; and directed the respondents to deposit the awarded amount before the Tribunal within 03 months from the date of Award, failing with the claimants are entitled to simple interest @ 7.5% per annum on the awarded amount from the date of filing the claim petition till actual realization. All the respondents were held liable to pay the compensation jointly and severally.

3. The only ground on which the Id. Counsel for the claimants seeks enhancement is that the learned Tribunal has failed to grant interest upon the amount of compensation from the date of filing the claim petition till actual realization. It is submitted that vide impugned Award, the respondents have been directed to ‘...deposit the awarded amount before the Tribunal within three months from today, failing which the claimants shall also be entitled to 7.5% simple interest per annum on the said awarded amount from the date of filing of the claim petition till realization of the whole compensation amount.’



4. Learned counsel submits that it is only in case the respondents fail to deposit the aforesaid awarded amount within 03 months from the date of Award, that the claimants have been held entitled to simple interest @ 7.5% per annum from the date of filing of claim petition till realization of the compensation amount. Whereas, in the first instance itself, appellants were entitled to interest from the date of filing of claim petition. In support, learned counsel for the appellant-claimants relies upon judgments of Hon'ble the Apex Court in **Bijoy Kumar Dugar vs. Bidhyadhar Dutta and others, Law Finder Doc Id # 119539**; and **Sunil Sharma and others vs. Bachitar Singh and others, Law Finder Doc Id # 250664**.

5. No other argument is raised on behalf of the appellants. I have heard learned counsel and perused the case file in detail. I find no merit in the submissions advanced by learned counsel for appellants.

6. It is well established position in law that grant of interest by the learned Tribunal is a matter of discretion and cannot be claimed by the claimants by way of entitlement. In this regard, it is apposite to refer to judgment of the Hon'ble Supreme Court in **Abati Bezbaruah vs. Dy. Director General, Geological Survey of India and another; Law Finder Doc Id # 117404**, the relevant para of which reads as under:-

“18. Three decisions were cited before us by Mr. A. P. Mohanty, learned counsel appearing on behalf of the appellant, in support of his contentions. No ratio has been laid down in any of the decisions in regard to the date of interest and the rate of interest was awarded on the amount of compensation as a matter of judicial discretion. The rate of interest must be just and reasonable depending upon the facts and circumstances of each case and taking all relevant factors including inflation, change of economy, policy being adopted by the Reserve Bank of India from time to time, how



long the case is pending, permanent injuries suffered by the victim, enormity of suffering, loss of future income, loss of enjoyment of life, etc. into consideration. No rate of interest is fixed under Section 171 of the Motor Vehicles Act, 1988. Varying rates of interest are being awarded by Tribunals, High Courts and the Supreme Court. Interest can be granted even if claimant does not specifically plead for the same as it is consequential in the eye of law. Interest is compensation for forbearance or detention of money and that interest being awarded to a party only for being kept him out of the money which ought to have been paid to him. No principle could be deduced nor any rate of interest can be fixed to have a general application in motor accident claim cases having regard to nature of provision under Section 171 giving discretion to Tribunal in such matter. In other matters, awarding of interest depends upon the statutory provisions, mercantile usage and doctrine of equity. Neither Section 34, Civil Procedure Code nor Section 4A (3) of the Workmen's Compensation Act are applicable in the matter of fixing rate of interest in a claim under the Motor Vehicles Act. The Courts have awarded the interest at different rates depending upon the facts and circumstances of each case. Therefore, in my opinion, there cannot be any hard and fast rule in awarding interest and the award of interest is solely on the discretion of the Tribunal or the High Court as indicated above."

7. Furthermore, a perusal of the impugned Award shows that a more than just and fair compensation has been awarded to the claimants. It was the pleaded case of the claimants before the Tribunal that prior to the accident the deceased was working as Security Guard and earning ₹15,000/- per month. However, no documentary proof was adduced by the claimants in this regard. As such, the learned Tribunal has discarded the oral and bald assertion of the claimants and taken the monthly income of the deceased as ₹9000/- per month as that of a labourer.

8. Further, the learned Tribunal had determined the age of the deceased as 30 years at the time of accident on the basis of Postmortem Report Ex. C-1. Accordingly, the learned Tribunal had correctly made an addition of 40% towards future prospects; and had correctly applied



multiplier of 17. As there were 05 claimants, the learned Tribunal had rightly made deduction of 1/4th towards personal expenses of the deceased. Under the Conventional Heads, the learned Tribunal had awarded an amount of ₹40,000/- as loss of spousal consortium to claimant No. 2/widow of the deceased; ₹15,000/- towards loss of estate; and ₹15,000/- towards funeral expenses and thereby had granted total amount of ₹19,97,800/- as compensation to the appellant-claimants.

9. From the above facts, it is clear that a very just and fair compensation has been awarded to the appellants. No doubt Chapter-12 of the Act is a beneficial legislation yet, as cautioned by the Hon'ble Supreme Court, the same cannot be allowed to be treated as a windfall or a source of profit. Hon'ble Supreme Court in **State of Haryana & Another Vs. Jasbir Kaur & Others, Law Finder Doc ID # 64043** and **Divisional Controller K.S.R.T.C. Vs. Mahadev Shetty', (2003) 7 SCC 197**, has held that the amount of compensation should be just and reasonable, it should neither be a bonanza nor a source of profit but at the same time it should not be a pittance. In the case of **General Manager, KSRTC Vs. Susamma Thomas & Others, 1994 Volume-II SCC 176**, the Hon'ble Supreme Court has held that misplaced sympathy, generosity and benevolence cannot be the guiding factor for determining the compensation.

10. Further, the Hon'ble Supreme Court in the case of **Reshma Kumari v. Madan Mohan (SC) 2013(5) Scale 160; Law Finder Doc ID # 421379; Civil Appeal No.4646 and 4647 of 2009 decided on 02.04.2013**, has held that: "*Motor Vehicles Act, 1988, Section 168 -*



Section 168 provides that amount of compensation awarded by the Claims Tribunal which appears to it to be just - The expression, 'just' means that the amount so determined is fair, reasonable and equitable by accepted legal standards and not a forensic lottery - Obviously 'just compensation' does not mean 'perfect' or 'absolute' compensation - The just compensation principle requires examination of the particular situation obtaining uniquely in an individual case."

11. The judgments relied upon by learned counsel for the appellants are of no help to the claimants as the said judgments are distinguishable on law and facts.

12. In view of the discussion above, I find no case is made out that merits interference with the impugned Award. The appeal is **dismissed**.

13. Pending application(s) if any also stand(s) disposed of.

27.02.2026
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(NIDHI GUPTA)
JUDGE

Whether speaking/reasoned Yes/No

Whether Reportable Yes/No