IN THE HIGH COURT OF PUNJAB & HARYANA AT CHANDIGARH

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FAO-3688-2002 (O&M)
Date of decision: 16.07.2026

ROSHNI DEVI AND ORS ....**Appellants**

Versus

ARJUN SINGH AND OTHERS ...**Respondents**

CORAM: HON'BLE MR. JUSTICE YASHVIR SINGH RATHOR

Present : Mr. Saurabh Bhardwaj, Advocate for the appellants.

Mr. Vinod Gupta, Advocate for Insurance Company.

YASHVIR SINGH RATHOR. J.(Oral)

1. This appeal has been instituted by claimants against the Award dated 13.05.2002 passed in MACT case No.235 of 2001 by MACT, Kurukshetra (**for short "Tribunal"**) in a petition under Section 140, 141 and 166 of Motor Vehicles Act, 1988 vide which a sum of Rs.3,00,000/- has been awarded as compensation to the **claimants** along with interest at the rate of 9% per annum from the date of filing of claim petition till realization on account of death of Prithi in a motor vehicle accident.

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

"1. Whether the accident resulting in death of Pirthi and bodily injuries to Gian Chand was caused due to rash and negligent driving of respondent No.1 Arjun Singh of tractor No.HR-02B-4165?OPP
2. If issue No.1 is proved, whether the claimants are entitled to compensation, if so to what amount and from whom?OPP
3. Whether the policy of insurance of tractor No.HR-02-4165 is

void-abinitio as averred in written reply of respondent No.4?OPR

4) Whether respondent Arjun Singh was not holding valid and effective driving licence at the alleged time of accident?OPR

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, learned Tribunal awarded a sum of Rs.3,00,000/- as compensation to the claimants alongwith interest @ 9% per annum from the date of filing of claim petition till realization.

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

6. It is pertinent to mention that the record of the present appeal and the Tribunal has got burnt in a fire incident in the High Court Registry and the present appeal has to be decided on the basis of the facts and evidence discussed by the Tribunal in the impugned Award.

7. The only issue required to be determined in the present appeal relates to the assessment of compensation. Therefore, the entire facts regarding the manner of the accident are not required to be reproduced in detail, as the Tribunal has already held under Issue No.1 that the accident had occurred due to the rash and negligent driving on the part of respondent No.1 while driving the offending tractor/trolley bearing No.HR-02B-4165, owned by respondent No.2 and insured with respondent No.3. No appeal or cross-objections have been filed by respondents, challenging the said finding and accordingly finding on issue No.1 is not required to be interfered with.

8. Learned counsel for the appellants argued that the impugned award

vide which compensation of Rs.3,00,000/- has been awarded is based on conjectures and surmises and is liable to be modified and enhanced amount of compensation should be awarded. Learned counsel argued that income of the deceased has been assessed on lower side. Learned counsel further contended that future prospects have not been added to the monthly income of the deceased contrary to settled provisions of law. Learned counsel next argued that Tribunal has applied multiplier of 12 to the loss of dependency, whereas multiplier of 15 should have been applied. No compensation has been awarded towards loss of estate and funeral expenses and he prayed that same be suitably enhanced. In support of his contentions, learned counsel for the appellants has relied upon 2009(6) SCC 121 **Sarla Verma and others Vs. Delhi Transport Corporation and Another**, 2017 (16) SCC 680 **National Insurance Co. Ltd Vs. Pranay Sethi and Other**, 2018 (4) R.C.R. (Civil) 333 **Magma General Insurance Co. Ltd. v. Nanu Ram alias Chuhru Ram & Others**, (2021) 11 SCC 780 **United India Insurance Co. Ltd. Vs. Satinder Kaur.**

9. On the other hand, learned counsel for respondent No.3 argued that the award in question is well reasoned and justified. The material on file has been appreciated in the correct perspective while assessing the compensation and no interference in the same is thus called for.

10. The term `just compensation' has been elaborated by Hon'ble Supreme Court in **2009(1) RCR (Civil) 867 (SC), Syed Basheer Ahamed and Others Vs. Mohd. Jameel and Another**, and it has been held that while assessing compensation in a motor accident claims case, the Tribunal should award compensation which appears to be just. The expression "which appears to be just"

vests a wide discretion in the Tribunal in the matter of determination of compensation. Nevertheless, the wide amplitude of such power does not empower the Tribunal to determine the compensation arbitrarily, or to ignore settled principles relating to determination of compensation. It has been further held that although the Act is a beneficial legislation, it can neither be allowed to be used as a source of profit, nor as a windfall to the persons affected nor should it be punitive to the persons liable to pay compensation and that determination of compensation must be based on certain data establishing reasonable nexus between the loss incurred by the victim or dependents. It has been further held that misplaced sympathy, generosity and benevolence cannot be the guiding factors for determining the compensation. As such, compensation is required to be assessed by taking into consideration above-said parameters.

11. As per version of claimant-Roshni Devi in the pleadings and while deposing as PW1 is that she was married with Prithi (since deceased), who died in the accident in question. Deceased was 30-35 years of age and was a sweetmaker/Halwai by profession. He used to work with one Gurnam Singh and was being paid Rs.4,000/- as salary. Prithi was also running a milk dairy and used to earn Rs.2,000/- to Rs.3,000/- from the said milk dairy as well and his monthly income was around Rs.7,000/-. Claimants also examined Gurnam Singh, who also supported their version. He stated that he used to pay Rs.3,500/- to Prithi at the time of his death but during cross-examination, he admitted that he has not brought any account books to prove the payment of salary to said Prithi and his version in the absence of corresponding record was disbelieved. Besides this, no evidence was also led to establish that deceased was running any milk dairy and as

such, the self-serving and bald statement of claimants was also rightly rejected and thereafter, the Tribunal taking into consideration the minimum wages for skilled workers assessed the monthly income of the deceased to be Rs.3,000/-. However, Hon'ble Supreme Court in (2022) 1 SCC 198**,** ***Chandra alias Chander alias Chanda Ram and another Vs. Mukesh Kumar Yadav*****,** decided vide judgment dated 01.10.2021 has held that merely because claimants are unable to produce documentary evidence to show the monthly income of the deceased is not a ground to discard the oral evidence and in such cases, the Court is required to ensure just compensation based on preponderance of probabilities. Minimum wage notification may serve as a yardstick but cannot be the sole basis for assessing the income. Moreover, it is also well settled that where the victim/deceased belongs to unorganized sector, strict proof of income is not mandatory and notional income can be reasonably assessed based on the social status and facts and circumstances of the case. Hon’ble Supreme Court in 2019 (5) RCR (Civil) 884, **Chameli Devi and others Vs. Jivrali Mian and others**, has assessed the monthly income of a carpenter to be Rs.5000/- per month in the year 2001 and it was further held that in such cases where deceased is engaged in such type of profession, claimants can only lead oral evidence.

12. In the present case, the accident had taken place on 05.03.2001 and as such some amount of guess work has to be applied while assessing the monthly income of the deceased and keeping in mind the social status of the deceased, his monthly income is assessed as **Rs.4,000/-**.

13. As per version of claimants, deceased was 32-35 years of age. In the post-mortem report Ex. A2 his age is mentioned as 30 years. However, claimant

Roshni in her cross-examination stated that she was married with Prithi 17-18 years ago and her own age at that time was 20 years, meaning thereby she was 37-38 years of age and the Tribunal held the age of Prithi (deceased) to be 40 years at the time of his death.

14. Deceased was 40 years of age and as such, 25% amount has to be added to the monthly income of the deceased towards future prospects in view of law laid down in **Pranay Sethi's case (supra),** which takes his income to **Rs.5,000/- (Rs.4,000/- + Rs.1,000/-).**

15. Deceased has left behind three **dependents i.e. wife and two children**, and as such **1/3rd** of the income has to be deducted towards personal and living expenses as per law laid down in **Sarla Verma's case (supra)** and after deducting the same, the **monthly loss of dependency** comes out to **Rs.3,333/- (Rs.5,000/- – Rs.1,667/-)** and the **annual loss of dependency** comes out to **Rs.39,996/- (Rs.3,333/- × 12).**

16. Since deceased was 40 years of age, multiplier of 15 has to be applied in view of the guidelines laid down in **Sarla Verma's case (supra)**, and after applying the same, the total loss of dependency comes out to **Rs.5,99,940/- (Rs.39,996/- × 15).**

17. In addition to this, **claimant No.1 (wife of the deceased)** is held entitled to a sum of **Rs.70,000/-** under conventional heads i.e. **Rs.40,000/-** towards loss of consortium, **Rs.15,000/-** towards loss of estate and **Rs.15,000/-** on account of funeral expenses, as per law laid down in **Pranay Sethi's case (supra).** Likewise, **claimants No.2 and 3 (two minor children of the deceased)** are also held entitled to a sum of **Rs.40,000/- each** on account of loss of parental consortium, in view of law laid down in ***Nanu Ram's case (supra)*** and ***Satinder***

Kaur's case (supra), which takes the compensation to **Rs.7,49,940/-**.

18. Accordingly, the compensation to be awarded to the claimants is assessed as under:-

S.No.	Under Head	
1.	Age of deceased	40 years
2.	Monthly income of deceased	Rs.4,000/- per month
3.	Future prospects @ 25%	Rs.1,000/-
4.	Total income	Rs.5,000/-
5.	Number of dependents	3
6.	Deduction towards personal and living expenses (1/3rd)	**Rs.1,667/-**
7.	Monthly loss of dependency	**Rs.3,333/-** (Rs.5,000/- − Rs.1,667/-)
8.	Annual loss of dependency	**Rs.39,996/- (Rs.3,333/- × 12)**
9.	Multiplier	15
10.	Loss of dependency	**Rs.5,99,940/-** (Rs.39,996/- × 15)
11.	Compensation under conventional heads to claimant No.1- wife	**Rs.70,000/-**
12.	Compensation to two children (loss of parental consortium)	**Rs.80,000/- (Rs.40,000/- × 2)**
13.	Total Compensation	Rs.7,49,940/- (rounded off to Rs.7,50,000/-)
14.	Interest	9%

19. Resultantly, the appeal in hand is partly accepted with costs and claimants are held entitled to a sum of Rs.7,50,000/- as compensation. The enhanced compensation thus comes out to Rs.4,50,000/- **(**Rs.7,50,000/- **-** Rs.3,00,000/-) over and above the compensation awarded by the Tribunal along with interest at the rate of 9% per annum from the date of filing of claim petition i.e. 05.05.2001 till realization payable by respondents No.1 to 3 jointly and severally. Out of the enhanced compensation, a sum of Rs.1,00,000/- **each** along with proportionate interest be paid to claimants No.2 to 3 **(son and daughter of the deceased)** while balance amount be paid to claimant **No.1 (wife)** along with

proportionate interest.

20. Registry is directed to email the authenticated copy of the award to the respondent Insurance Company 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 Company shall comply with the directions as issued under Clause (F) of the said judgment.

21. Pending miscellaneous application(s), if any, shall also stand disposed of.

(YASHVIR SINGH RATHOR)
JUDGE

16.07.2026
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Whether speaking/reasoned. : Yes/No
Whether Reportable. : Yes/No