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

(105) **FAO-3136-2003(O&M)**
Date of Decision-13.11.2025

MOHINDER AND ANOTHER … APPELLANTS

VERSUS

CHARANJIT AND OTHERS … RESPONDENTS

CORAM: HON'BLE MR. JUSTICE VIRINDER AGGARWAL

Present: Mr. Ashok Kumar Tyagi, Advocate
for appellants.

Mr. Ramswaroop, Advocate,
Ms. Pooja Sareen, Advocate
for respondent No.2.

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VIRINDER AGGARWAL, J.(ORAL)

1. This appeal has been preferred by the claimants seeking enhancement of compensation awarded vide award dated 07.05.2003 passed by the Motor Accident Claims Tribunal, Karnal, whereby the compensation of ₹1,35,000/- along with interest at 9% per annum was granted on account of death of Ashok Kumar in a motor vehicular accident that took place on 07.08.2001.

BACKGROUND FACTS

2. The brief facts of the case are that on 07.08.2001, the deceased Ashok Kumar, aged about 15 years, had gone to Village Saidpur, District Karnal, the native place of his maternal uncle Sultan Singh, in order to bring bags of rice from a mill situated in Pal Nagar. The deceased was proceeding on foot and was ahead of his maternal uncle by about 50 paces. When they reached near the turning of Zarifa Seed Farm on Karsa Road, a bus bearing registration No. (HR-45-0634), coming from the Karnal side, being driven by respondent No.1

Charanjit rashly, negligently, and at a very high speed, hit the deceased, causing him multiple injuries and he died on the spot. Accordingly, a claim petition under Section 166 of the Motor Vehicles Act, 1988 was instituted by the claimants, seeking compensation of ₹5,00,000/- on account of the death of Ashok Kumar.

3. Upon appreciation of the oral and documentary evidence on record, the learned Tribunal held that the accident had occurred due to the rash and negligent driving of respondent No.1. This finding was primarily based on the ocular testimony of Sultan Singh (PW-1) and the corroborative evidence of Subhash Chand (PW-2), who proved the registration of FIR No. 258 dated 07.08.2001 under Sections 279 and 304-A IPC at Police Station Sadar, Karnal (Ex. P1) against respondent No.1, along with the site plan (Ex. P2) prepared during the course of investigation. For the purpose of computation, the learned Tribunal observed that there was no concrete evidence to establish the income of the deceased and, therefore, assessed the notional contribution to the family on a reasonable basis. Considering the age of the deceased at about 15 years, the learned Tribunal determined lump-sum compensation of ₹1,30,000/- towards loss of dependency and an additional sum of ₹5,000/- towards funeral and last rites. Accordingly, the learned Tribunal awarded a total compensation to the claimants amounted to ₹1,35,000/-, along with interest at the rate of 9% per annum.

CONTENTIONS

4. Learned counsel for the appellants contended that the compensation awarded by the learned Tribunal is wholly inadequate and not in consonance with the settled principles governing the determination of just compensation. Learned counsel for appellant urged that the learned Tribunal erred in

disregarding the unrebutted testimony of the father of the deceased, who had deposed that the deceased was earning ₹3,000/- per month. Learned counsel further submitted that the learned Tribunal failed to grant any addition towards future prospects and did not apply the appropriate multiplier keeping in view the age of the deceased. The amounts awarded under the conventional heads were also stated to be meagre and not in accordance with law. Accordingly, it was prayed that the compensation be suitably enhanced to meet the ends of justice.

5. Learned counsel for respondent No.2 supported the award of the learned Tribunal, contended that the award had been passed after a proper and thorough appreciation of the evidence on record and therefore, did not warrant any interference by this Court.

OBSERVATIONS AND FINDINGS

6. I have carefully heard the arguments advanced by the learned counsel representing the appellants and have thoroughly examined the entire paper book.

7. The learned Tribunal, on an appreciation of the oral and documentary evidence adduced by the party, rightly came to the categorical conclusion that the accident had occurred due to the rash and negligent driving of the offending vehicle by respondent No.1. However, the learned Tribunal's approach in awarding the amount of ₹1,35,000/- without applying the future prospects, correct multiplier and accurate conventional heads, is erroneous and warrants interference. The Hon'ble Supreme Court has repeatedly emphasized the need for a structured and uniform approach to compensation in motor accident death cases to ensure just compensation under Section 166 of the Motor Vehicle Act.

8. Firstly, with regard to the assessment of income, it is noted that the learned Tribunal rightly observed that no documentary or reliable evidence was produced to establish the actual earnings of the deceased. Although the father of the deceased had deposed that his son was earning ₹3,000/- per month by grazing cattle in the village, the said assertion remained unsubstantiated by any independent or corroborative proof. However, having regard to the age of the deceased, the nature of his avocation, and the prevailing minimum wages of unskilled labour during the year 2001, the notional income of the deceased is reasonably assessed at ₹2,000/- per month.

9. Further, it is to be noted that the computation of compensation is not in conformity with the settled principles of law governing assessment of just compensation. The learned Tribunal has failed to make additions towards future prospects, which is now mandatory even in the case of self-employed, as held by the Constitution Bench of the Hon'ble Supreme Court in ***National Insurance Co. Ltd. v. Pranay Sethi*, (2017) 16 SCC 680**. Further, the learned Tribunal did not make any deduction towards the personal expenses of the deceased. However, as per the settled principle laid down in ***Sarla Verma v. DTC, (2009) 6 SCC 121,*** in the case of an unmarried deceased, 50% of the income is required to be deducted towards personal and living expenses, with the remaining 50% to be taken as contribution to the family. Additionally, the learned Tribunal has not rightly awarded amount under the conventional heads such as loss of consortium, loss of estate and funeral expenses, which have been recognised as integral components of just compensation by the Hon'ble Supreme Court in ***Pranay Sethi* (supra)** and later affirmed in ***Magma General Insurance Co. Ltd. v. Nanu Ram alias Chuhru Ram*, (2018) 18 SCC 130**.

10. Accordingly, the compensation is required to be reassessed by applying the above judgments and considering the age of the deceased as **15 years** (as per Post Mortem Report). The reassessment is structured as under:

REASSESSED COMPUTATION

Particulars	Reassessed Award (₹)
Monthly Income	**2,000/-**
Annual Income	**24,000/-**
Income With Future Prospects (40%)	**33,600/-** **(24,000 + 9600)**
Deduction (50% For Personal Expenses)	**16,800/-** **(unmarried)**
Annual Contribution To Family	**16,800/-**
Multiplier **(age 15 yrs)**	**15**
Loss Of Dependency	**2,52,000/-** **(16,800 × 15)**
Filial Consortium	**80,000/-** **(40,000 × 2)**
Loss Of Estate	**15,000/-**
Funeral Expenses	**15,000/-**
Total	**₹3,62,000/-**

11. Resultantly, the compensation awarded by the learned Tribunal is enhanced from ₹1,35,000/- to **₹3,62,000/-**. The enhanced amount shall carry the interest at rate of 7% per annum from the date of filing of the claim petition till realization. The liability of respondent Nos. 1, 2 and 3 shall remain joint and several as held by the learned Tribunal.

12. The appeal is accordingly partly **allowed** with modification of the award to the above extent. All other conditions of the award, not inconsistent with this judgment, shall remain unaltered.

13. Since the main case has been decided, pending miscellaneous application(s), if any, stands also disposed of.

(VIRINDER AGGARWAL)
JUDGE

13.11.2025
Saurav Pathania

(i)	*Whether speaking/reasoned*	:	*Yes/No*
(ii)	*Whether reportable*	:	*Yes/No*