IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH

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FAO-971-2001
Date of decision: 19.12.2025

Baljeet Kaur . . . . Appellant

Vs.

Gurtej Singh alias Billa and others . . . . Respondents

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CORAM: HON'BLE MR JUSTICE DEEPAK GUPTA

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Present: - Mr. Vikas Kumar, Advocate, for the appellant.

Mr. Aseem Aggarwal, Advocate,
for respondent No.3-Insurance Company.

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DEEPAK GUPTA, J.

Copy of grounds of appeal has already been received in compliance of the previous order.

2. The present appeal has been preferred by the claimants seeking enhancement of compensation awarded by the learned Motor Accidents Claims Tribunal, vide award dated 03.10.2000.

3. The brief facts necessary for adjudication are that Charanjit Singh son of Kartar Singh lost his life in a motor vehicular accident on 11.10.1995. He was driving Maruti car No. PB-15-2224, which was hit by truck No. HR-24A-6881 due to rash and negligent driving of the said truck. The widow and aged parents of the deceased filed a claim petition under Section 166 of the Motor Vehicles Act, 1988, seeking compensation from the driver, owner and insurer of the offending vehicle. The learned Tribunal, after holding the driver of the truck negligent, assessed the compensation at ₹3,30,000/-, payable jointly and severally by the respondents along with interest.

4. Aggrieved by the quantum of compensation, the claimants have preferred the present appeal. It is contended that the deceased was a commission agent and earning about ₹10,000/- per month. Income Tax Return for the assessment year 1995-96 (Ex.P7) was produced, reflecting an

annual income of ₹46,560/-, which according to the appellants, has been wrongly ignored by the Tribunal. It is further argued that the deceased was admittedly 25 years of age, yet the Tribunal applied a multiplier of 16 instead of 18. No amount was added towards future prospects and compensation under the conventional heads has also been awarded on the lower side.

5. Per contra, learned counsel for the Insurance Company fairly conceded that the multiplier has been wrongly applied and future prospects were not added. However, it was argued that in the absence of cogent evidence regarding income at the time of death, the Tribunal was justified in taking the income as ₹2,500/- per month, particularly when the Income Tax Return (Ex.P7) was filed after the death of the deceased.

6. Having considered the rival submissions and perused the record, it is not in dispute that the deceased was running the business of a commission agent. Though the Income Tax Return (Ex.P7) for the year 1995-96 was filed on 30.01.1997, i.e. after the death of the deceased, it nonetheless reflects business income of ₹46,560/- earned by him. The mere fact that the return was filed posthumously cannot, by itself, render it unreliable, particularly when no evidence to the contrary has been led by the respondents.

7. It is well settled that once documentary evidence regarding income is produced and remains unrebutted, the Tribunal ought not to discard the same on conjectures. In the present case, none of the respondents produced any evidence to discredit the Income Tax Return or to establish that the income reflected therein was inflated or incorrect. At the same time, the bald assertion that the deceased was earning ₹10,000/- per month cannot be accepted in the absence of supporting material.

8. Accordingly, the annual income of the deceased is taken as ₹46,560/- based upon Income Tax Return (Ex.P7).

9. As regards the multiplier, the deceased was 25 years of age at the time of death. The Tribunal erred in applying a multiplier of 16. In view of

the law laid down in ***Sarla Verma and others v. Delhi Transport Corporation and another*, (2009) 6 SCC 121**, the appropriate multiplier applicable is 18.

10. Further, the Tribunal did not make any addition towards future prospects. As held by the Constitution Bench in ***National Insurance Company Limited v. Pranay Sethi and others*, 2017 (4) RCR (Civil) 1009**, future prospects are required to be added even in cases of self-employed persons. Since the deceased was 25 years old, an addition of 40% towards future prospects is warranted.

11. However, considering that the accident occurred in October 1995, compensation under conventional heads cannot be awarded at the same rates as fixed in ***Pranay Sethi* (supra)**, which was rendered much later in the year 2017. A reasonable and just amount under these heads needs to be awarded keeping in view the prevailing standards at the relevant time.

12. In view of the above discussion, the compensation is recalculated as under:

Annual Income	:	₹46,560/-
After adding future prospects	:	₹65,184/-
Deduction for self expenses	:	1/3rd
After deduction, loss of conventional dependency	:	₹43,456/-
Multiplier	:	18
Total compensation for loss of dependency	:	₹7,82,208/-
Loss of consortium/ parental consortium	:	₹30,000/- (₹10,000/- each)
Funeral Expenses	:	₹5,000/-
Loss of Estate	:	₹5,000/-
Total	**:**	**₹8,22,208/-**
Already awarded by the Tribunal	:	₹3,30,000/-
Enhanced compensation	**:**	**₹4,92,208/-**

13. Consequently, the appeal is partly allowed. The total compensation payable to the claimants is assessed at ₹8,22,208/-, resulting in

enhancement of ₹4,92,208/- over and above the amount awarded by the Tribunal.

14. The enhanced amount shall be payable to the appellants-claimants in the same proportion as directed by the Tribunal and shall carry interest @ 7.5% per annum from the date of filing of the claim petition till its actual realization. The appeal stands disposed of accordingly.

(DEEPAK GUPTA)
JUDGE

19.12.2025
Vivek

Whether Speaking/reasoned	*Yes*
Whether reportable	*No*