



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

(224)

**FAO-2859-2002(O&M)  
Date of Decision-19.11.2025**

**Chuhar Singh And Another****...Appellants**

**Versus**

**National Insurance Company And Others****...Respondents****CORAM: HON'BLE MR. JUSTICE VIRINDER AGGARWAL**

Present: Mr. Rahul Sharma, Advocate,  
Mr. B.S Bhalla, Advocate  
for appellants.

Mr. Harjinder Singh, Advocate  
for respondent No.1.

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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 18.02.2002 passed by the Motor Accident Claims Tribunal, Moga, whereby the compensation of ₹2,00,000/- along with interest at 12% per annum was granted on account of death of Kewal Singh in a motor vehicular accident that took place on 23.06.1999 .

**BACKGROUND FACTS**

2. The brief facts of the case are that on 23.06.1999 at about 2:00 p.m., the deceased Kewal Singh, along with Gurjant Singh, was travelling on scooter No. (PAO-9285) to the village Ghal Kalan to watch a tournament. When they reached near Basti Bakhtawar Singh on the G.T. Road in the area of village Ghal Kalan, a bus bearing registration No. (PB-29-9901), driven by respondent No. 2 Naib Singh, came from the Moga side in a rash and negligent manner



and, while being driven on the wrong side of the road, collided with their scooter. Both occupants sustained multiple injuries. The deceased Kewal singh was referred to D.M.C., Ludhiana, where he remained under treatment for about one month but ultimately succumbed to the injuries. Consequently, the claimants filed a petition under Section 166 of the Motor Vehicles Act, 1988, seeking compensation for the death of Kewal Singh.

3. Upon evaluating the oral and documentary evidence on record, the learned Tribunal concluded that the accident occurred due to the rash and negligent driving of respondent No. 2. This conclusion was primarily founded on the testimony of Gurjant Singh (PW-2), an injured eyewitness, which stood corroborated by the statements of Beant Singh (PW-3) and Surjit Singh (PW-6), who proved the copy of FIR No. 23 dated 26.03.1999 (Ex. PW-6/A). Further support came from the evidence of Dr. Sukhmander Singh (PW-1) and the medicolegal report (Ex. P-1), which established the injuries sustained in the occurrence. For purposes of assessing compensation, the learned Tribunal noted the absence of reliable proof regarding the deceased's income and, accordingly, treated him as a casual labourer. Taking into account his age, assessed to be around 19-20 years, along with the proved medical expenses(₹1,00,000), the learned Tribunal computed the compensation at ₹2,00,000/- with interest at the rate of 12% per annum.

### **CONTENTIONS**

4. Learned counsel for the appellants argued that the compensation awarded by the learned Tribunal was grossly inadequate and contrary to the settled principles for determining just compensation. It was submitted that the learned



Tribunal wrongly ignored the unrebutted testimony of the deceased's father regarding his monthly income of ₹5,000/- to ₹6000. Learned Counsel further contended that no addition towards future prospects was granted, nor was the multiplier applied considering the deceased's age. The amounts awarded under the conventional heads were also not awarded. Accordingly, enhancement of compensation was sought in the interest of justice.

5. Learned counsel for respondent No.1 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 parties, rightly concluded that the accident had occurred due to the rash and negligent driving of the offending vehicle by respondent No.2. However, its approach in awarding a lump-sum amount of ₹2,00,000/- without applying the settled parameters of future prospects, multiplier, and conventional heads is legally unsustainable and warrants interference. At the same time, the learned Tribunal's finding in respect of granting ₹1,00,000/- towards medical expenses stands on a firm evidentiary foundation, as it was awarded after considering the material placed on record regarding the treatment of the deceased prior to his death, and therefore does not call for any interference. Accordingly, while the component of medical



expenses is affirmed, the remaining assessment of compensation requires recalibration in accordance with the settled principles of law.

8. Firstly, with respect to the assessment of income, it is evident that the learned Tribunal correctly concluded that no documentary or reliable evidence was produced to establish the actual earnings of the deceased. Although the deceased's father asserted that his son was earning ₹5,000–6,000 per month from cultivation and other agricultural activities, this statement remained uncorroborated by any independent proof. Nonetheless, considering the deceased's age, the nature of his vocation, and the prevailing wages for unskilled labour in the year 1999, his income is assessed at ₹2,000 per month.

9. 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 19-20 years (as per Matriculation Certificate (Ex. A-124) and Post Mortem Report (PW-3/A). The reassessment is structured as under:

**REASSESSED COMPUTATION**

| Particulars                              | Reassessed Award<br>(₹)     |
|------------------------------------------|-----------------------------|
| Annual Income                            | 24,000                      |
| Income With Future Prospects (40%)       | 33,600/-<br>(24,000 + 9600) |
| Deduction<br>(50% For Personal Expenses) | 16,800/-<br>(unmarried)     |
| Annual Contribution To Family            | 16,800/-                    |
| Multiplier (age 19/20 yrs)               | 18                          |
| Loss Of Dependency                       | 3,02,400/-<br>(16,800 × 18) |
| Medical Expenses                         | 1,00,000                    |
| Filial Consortium                        | 80,000/-<br>(40,000 × 2)    |
| Loss Of Estate                           | 15,000/-                    |
| Funeral Expenses                         | 15,000/-                    |
| Total                                    | ₹5,12,400/-                 |

11. Resultantly, the compensation awarded by the learned Tribunal is enhanced from ₹2,00,000/- to **₹5,12,400/-**. 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 findings 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.

19.11.2025  
Saurav Pathania

(VIRINDER AGGARWAL)  
JUDGE

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