



FAO-2254-2003(O&M)

1

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

(104)

**FAO-2254-2003(O&M)
Date of Decision-14.11.2025**

SURESH RANI AND OTHERS**... APPELLANTS****VERSUS****SHAYAM SINGH AND OTHERS****.. RESPONDENTS****CORAM: HON'BLE MR. JUSTICE VIRINDER AGGARWAL**

Present: Mr. Hiten Chugh, Advocate,
Mr. S.S Salar, Advocate
for appellants.

Mr. Munish Dadwal, AAG Haryana,
for respondent No. 5 & 6.

VIRINDER AGGARWAL, J.(ORAL)

1. This appeal has been preferred by the claimants seeking enhancement of compensation awarded vide award dated 29.10.2002 passed by the Motor Accident Claims Tribunal, Ambala, whereby the compensation of ₹5,16,200/- along with interest at 9% per annum was granted on account of death of Sohan Lal in a motor vehicular accident that took place on 07.03.2000.

BACKGROUND FACTS

2. The brief facts of the case are that on 07.03.2000, the deceased Sohan Lal, aged about 48 years, was travelling to Kendriya Vidyalaya to attend his duty in a Maxi Cab bearing registration No. (HR-45-3782). He was seated on the extreme rear side of the vehicle. The Maxi Cab was being driven by respondent No.1 at a very high speed and in a rash and negligent manner. When the vehicle reached near village Khuda Kalan at about 8:30 A.M., respondent No.4 approached from the Ambala Cantt. side, driving his truck bearing



registration No. (HYC-4954), also at an excessive speed and in a rash and negligent manner. Due to the negligent manner of driving by both drivers, the two vehicles collided violently with each other. Owing to the force of the impact, Sohan Lal fell onto the road and was crushed under the wheels of the truck, resulting in his instantaneous death. Thereafter, the claimants instituted a petition under Section 166 of the Motor Vehicles Act, 1988 seeking compensation for the death of Sohan Lal.

3. Upon evaluating the oral and documentary evidence placed on record, the learned Tribunal held that the accident was the result of the rash and negligent driving of respondent No.4 (Narotam Singh). This conclusion was principally drawn from the ocular account of Jaswant Sharma (PW-2). The learned Tribunal also placed reliance on the testimony of Shyam Singh (RW-3), the driver of the Maxi Cab, who stated that the deceased had asked him to stop the vehicle to get down, and while the deceased was in the process of crossing the road, respondent No.4 approached from the Ambala Cantt. side at a high speed and ran over him with his truck. Additional corroboration was found in the deposition of Phool Singh (RW-2), Sub-Inspector, who had participated in the investigation. For the purpose of assessing compensation, the learned Tribunal determined the monthly income of the deceased as ₹5,350/-, deducted one-third towards his personal and living expenses(₹1800), and applied a multiplier of 12. On this basis, the loss of dependency was computed at ₹5,11,200/-. The learned Tribunal further awarded an amount of ₹5,000/- towards funeral expenses and transportation. Consequently, the total compensation assessed by the Tribunal came to ₹5,16,200/- along with interest at 9% per annum.

**CONTENTIONS**

4. Learned counsel for the appellants argued that the compensation awarded by the learned Tribunal is grossly inadequate and contrary to the settled principles for determining just compensation. It was submitted that the learned Tribunal failed to properly appreciate the monthly income of ₹5,350/- as a permanent clerk, supported by salary certificate (Ex.P-2), along with an additional ₹2000/- earned from tuition work. 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.5 & 6 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 came to the categorical conclusion that the accident had occurred due to the rash and negligent driving of the offending vehicle by respondent No.6. However, the learned Tribunal's approach in awarding the amount of ₹5,16,200/- 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 the monthly salary of the deceased was established at ₹5,350/- working as clerk in Kendriya Vidhayala No.1 through the salary certificate (Ex.P.2) issued by the Principal, Kendriya Vidhayala No.1, Ambala Cantt, and the same remained unrebutted. Although Suresh Rani (PW-1) stated that the deceased was earning an additional ₹2,000/- per month from tuition work, the said claim was not supported by any documentary or independent corroborative evidence. In these circumstances, the learned Tribunal rightly declined to accept the alleged additional income. Accordingly, the assessment of the deceased's income at ₹5,350/- per month stands justified and calls for no interference.

9. However, 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 in the case of Government 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***. Learned Tribunal has rightly deducted one-third of the income of the deceased towards his personal and living expenses. As laid down in ***Sarla Verma v. DTC, (2009) 6 SCC 121***, in cases where the number of dependents is between two and three, the appropriate deduction towards personal expenses is one-third. Since the claimants in the present case consist of the wife and two children, the deduction applied by the learned Tribunal is in consonance with the settled principles.

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 **48 years** (as per Matriculation Certificate)(Ex.P1). The reassessment is structured as under:

REASSESSED COMPUTATION

Particulars	Reassessed Award (₹)
Annual Income	64,200
Income With Future Prospects (30%)	83,460/- (64,200 + 19,260)
Deduction (1/3rd For Personal Expenses)	27,820/-
Annual Contribution To Family	55,640/-
Multiplier (age 48 yrs)	13
Loss Of Dependency	7,23,320/- (55,640 × 13)
Spousal Consortium	40,000/-
Parental Consortium	80,000/-
Filial Consortium	
Loss Of Estate	15,000/-
Funeral Expenses	15,000/-
Total	₹8,73,320/-

11. Resultantly, the compensation awarded by the learned Tribunal is enhanced from ₹5,16,200/- to **₹8,73,320/-**. 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. 4,5 and 6 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.

14.11.2025
Saurav Pathania

(VIRINDER AGGARWAL)
JUDGE

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