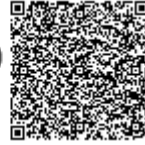


FAO-1781-2003

[1]

2026:PHHC:046510



IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH

FAO-1781-2003

Date of decision: 24.03.2026

Saroj Devi and others

...Appellants

Versus

Teja Ram and others

...Respondents

CORAM: HON'BLE MR. JUSTICE DEEPAK GUPTA

Present: Mr. Rahul Vats, Advocate for the appellants.

Mr. Vinod Gupta, Advocate
for Insurance Company.

DEEPAK GUPTA, J. (ORAL)

The present appeal has been preferred by the claimants seeking modification of the award dated 27.01.2003 passed by the learned Motor Accident Claims Tribunal, Narnaul (hereinafter referred to as “the Tribunal”), limited to the aspect of quantum of compensation.

2. The facts, as borne out from the record, are that on 31.10.2000, Jitender Kumar lost his life in a motor vehicular accident, while travelling in bus No. RJ-07-P-1586 from Bikaner to Jaisalmer. The accident occurred when the said bus, being driven in a rash and negligent manner, dashed against a stationary truck. It has also come on record that despite repeated requests by passengers to drive cautiously, the driver failed to do so, ultimately resulting in the fatal accident.

3. The widow, two minor children and parents of the deceased instituted a claim petition under Section 166 of the Motor Vehicles Act, 1988, seeking compensation on account of his untimely death from the drivers, owners and insurers of both the vehicles involved.

4. Upon appreciation of oral as well as documentary evidence, the learned Tribunal recorded a categorical finding that the accident was



solely attributable to the rash and negligent driving of the bus driver. Consequently, respondents No.1 to 3, i.e., the driver, owner and insurer of the bus, were held jointly and severally liable. The Tribunal assessed the compensation at ₹7,74,500/- along with interest.

5. Learned counsel for the appellants has assailed the award primarily on the ground that the compensation awarded is grossly inadequate. It is contended that the deceased, aged about 28–29 years, was serving as a Constable in the Border Security Force and earning ₹5,540/- per month. Being a permanent government employee, he had a stable source of income and, therefore, an addition towards future prospects ought to have been made. It is further argued that the multiplier applied is not in consonance with settled principles of law and that the amounts awarded under conventional heads are on the lower side.

6. *Per contra*, learned counsel for the insurance company does not dispute the age, occupation and income of the deceased as recorded by the Tribunal.

7. Having heard learned counsel for the parties and perused the record, this Court finds merit in the submissions advanced on behalf of the appellants. The law relating to assessment of compensation in cases of death has been authoritatively settled by the Hon'ble Supreme Court in ***National Insurance Company Limited vs. Pranay Sethi and others 2017(16) SCC 680***, wherein it has been held that in the case of a deceased having a permanent job and below the age of 40 years, an addition of 50% of the established income is to be made towards future prospects.

8. In the present case, the deceased was a government servant aged below 30 years. Thus, addition of 50% towards future prospects is clearly warranted. Accordingly, the income of the deceased is recalculated as under:



- Annual income: ₹66,480/-
- After adding 50% towards future prospects: ₹99,720/-

9. Since there are five dependents, deduction towards personal and living expenses is required to be made to the extent of 1/4th, in view of the principle laid down in ***Sarla Verma and others vs. DTC and another (2009) 6 SCC 121***. After such deduction, the annual loss of dependency comes to ₹74,790/-.

10. The deceased being in the age group of 25–30 years, the appropriate multiplier applicable is 17. Applying the said multiplier, the loss of dependency works out to be : ₹74,790/- × 17 = ₹12,71,430/-.

11. In addition to the loss of dependency, the claimants are also entitled to compensation under conventional heads. Keeping in view the fact that the accident occurred in the year 2000, a sum of ₹20,000/- each is awarded towards loss of consortium (spousal, parental and filial) to all five claimants, totaling ₹1,00,000/-. Further, a sum of ₹10,000/- each is awarded towards funeral expenses and loss of estate.

12. Thus, the total compensation payable to the claimants is computed as under:

- | | |
|----------------------|-----------------------|
| • Loss of dependency | : ₹12,71,430/- |
| • Consortium | : ₹1,00,000/- |
| • Funeral expenses | : ₹10,000/- |
| • Loss of estate | : ₹10,000/- |
| • Total | : ₹13,91,430/- |

13. After deducting the amount of ₹7,74,500/- already awarded by the Tribunal, the enhanced compensation comes to ₹6,16,930/-, which is rounded off to ₹6,17,000/-.

14. Consequently, the present appeal is partly allowed. The



appellants are held entitled to an enhanced compensation of ₹6,17,000/- over and above the amount awarded by the Tribunal.

15. As regards apportionment, it is directed that out of the enhanced amount, ₹50,000/- each shall be paid to the parents of the deceased (appellants No.4 and 5) along with proportionate interest. The remaining amount of ₹5,17,000/- shall be equally apportioned amongst the widow and two minor children (appellants No.1 to 3) along with proportionate interest.

16. The enhanced compensation shall be payable by respondents No.1 to 3 jointly and severally, along with interest @ 7.5% per annum from the date of filing of the claim petition till realization.

17. The award of the Tribunal stands modified to the aforesaid extent. All pending applications, if any, shall stand disposed of.

24.03.2026

Yogesh

(DEEPAK GUPTA)

JUDGE

Whether speaking/reasoned:-

Yes/No

Whether reportable:-

Yes/No