IN THE HIGH COURT OF PUNJAB AND HARYANA
AT CHANDIGARH

(222) **FAO-1366-2002(O&M)**
Date of Decision-06.03.2026

Goldy And Others … Appellants

Versus

Raj Kumar (Since Deceased) Through LRs And Others … Respondents

CORAM: HON'BLE MR. JUSTICE VIRINDER AGGARWAL

Present: Mr. R.S. Longia, Advocate,
for appellants.

Mr. V.K. Garg, Advocate,
for respondent No.3.

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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 05.11.2001 passed by the Motor Accident Claims Tribunal, Kurukshetra, whereby the compensation of ₹4,09,000/- along with interest at 9% per annum was granted on account of death of Jarnail Singh in a motor vehicular accident that took place on 01.11.1999.

BACKGROUND FACTS

2. The brief facts, as borne out from the record, are that on 01.11.1999 at about 9:30 p.m., Jarnail Singh and Mohinder Singh were returning from their agricultural fields to village Barhan on motorcycle No. HR-07B-2319. Jarnail Singh was driving the motorcycle while Mohinder Singh was sitting on the pillion seat. When they reached near the Royal King Factory in the area of village Niwarsi on the Kurukshetra–Ladwa Road, a truck bearing No. HR-02-7131, driven by respondent No.1 in a rash and negligent manner, came from the

side of Ladwa and struck the motorcycle. As a result of the impact, both the occupants of the motorcycle sustained serious injuries. Jarnail Singh died at the spot, whereas Mohinder Singh was taken for medical treatment and was referred to PGI, Chandigarh, where he succumbed to his injuries on 12.11.1999. In respect of the said accident, FIR No.158 dated 01.11.1999 under Sections 279 and 304-A IPC was registered at Police Station Ladwa. Thereafter, the legal representatives of the deceased filed a claim petition under Section 166 of the Motor Vehicles Act, 1988 seeking compensation on account of the death of Jarnail Singh. A separate claim petition was also filed by the legal representatives of Mohinder Singh seeking compensation for his death arising out of the same accident.

3. Upon a comprehensive appreciation of the oral as well as documentary evidence brought on record, the learned Tribunal recorded a categorical finding that the accident in question, which resulted in the death of Jarnail Singh, stood duly established and had occurred on account of the rash and negligent driving of respondent No.1, Raj Kumar, while driving truck bearing registration No. HR-02-7131. The finding on negligence was primarily founded upon the cogent and reliable testimony of Kehar Singh (PW-3), who appeared as an eye-witness to the occurrence. The testimony of the said witness remained unshaken in cross-examination and stood duly corroborated by the contemporaneous documentary record, including FIR (Ex. P1) No.158 dated 01.11.1999 registered under Sections 279 and 304-A IPC at Police Station Ladwa, as well as the post-mortem report (Ex.P6) placed on record. In the absence of any convincing rebuttal from the respondents, the learned Tribunal held that the accident had occurred solely due to the negligent driving of the offending truck by respondent No.1. While assessing the quantum of compensation, the learned

Tribunal observed that the claimants had asserted that the deceased Jarnail Singh was engaged in agriculture and was also a partner in a commission agency firm. However, in the absence of cogent documentary evidence to establish the exact income of the deceased, the learned Tribunal assessed his monthly income at ₹3,000/-. The age of the deceased was taken as 30 years at the time of the accident. Taking into consideration that the deceased had left behind his widow, a minor son and aged parents as dependents, the learned Tribunal deducted one-third of the income towards the personal and living expenses of the deceased and assessed the annual loss of dependency accordingly. Applying the multiplier of 16, the loss of dependency was computed at ₹3,84,000/-. In addition thereto, a sum of ₹15,000/- was awarded to the widow of the deceased towards loss of consortium and a further sum of ₹10,000/- was granted towards funeral expenses. Consequently, the learned Tribunal awarded a total compensation of ₹4,09,000/- in favour of the claimants along with interest at the rate of 9% per annum from the date of filing of the claim petition till its realization. Further, the learned Tribunal held that the liability to pay the awarded compensation would be joint and several upon the driver, owner and insurer of the offending vehicle. However, since it was found that respondent No.1 was not holding a valid and effective driving licence to drive a heavy transport vehicle at the time of the accident, the Insurance Company was granted the right to recover the amount of compensation from the owner of the vehicle after satisfying the award in favour of the claimants.

CONTENTIONS

4. Learned counsel for the appellants contended that the compensation awarded by the learned Tribunal is manifestly inadequate and contrary to the settled principles governing the determination of just compensation under the

Motor Vehicles Act. It was submitted that the learned Tribunal has erred in assessing the income of the deceased. It was further argued that the multiplier applied by the learned Tribunal is erroneous and not in consonance with the age of the deceased, thereby resulting in substantial diminution of the compensation. Learned counsel also submitted that no addition towards future prospects was made, which is required in view of the settled legal position. Additionally, the amounts awarded towards funeral expenses and other conventional heads are wholly inadequate, and no compensation has been granted under certain mandatory conventional heads. On these grounds, it was urged that the impugned award warrants enhancement so as to award just, fair and reasonable compensation to the claimants.

5. Learned counsel for the respondent No.3 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 heard learned counsel for the parties and perused the complete records. On due consideration of the findings recorded by the learned Tribunal, particularly on the issue of negligence and fastening of liability, I find no reason to take a different view. The findings on those aspects are accordingly affirmed. However, the core issue arising in the appeal pertains to the reassessment of the quantum of compensation.

7. Firstly, with regard to the income of the deceased is concerned, the learned Tribunal has rightly appreciated the evidence available on record. The claimants had asserted that the deceased Jarnail Singh was engaged in agriculture and was also a partner in a commission agency firm running under

the name and style of *M/s Kehar Singh Karam Singh*. However, no cogent documentary evidence was produced to establish the exact income of the deceased either from the alleged business or from agricultural activities. Though a partnership deed was placed on record, the same only reflected that the deceased had a limited share of 15% in the firm and no material was produced to demonstrate the actual earnings being derived therefrom. Furthermore, insofar as the plea regarding income from agriculture is concerned, the learned Tribunal rightly observed that there was no documentary evidence to prove ownership or the extent of income from agricultural land. In any case, even if the deceased was cultivating agricultural land, the same would continue to remain with and be cultivated by the family members after his death and, therefore, the agricultural produce or income from such land cannot be treated as a complete loss to the family. In the absence of reliable documentary evidence regarding the earnings of the deceased, the learned Tribunal assessed his income on a reasonable and pragmatic basis. Taking into consideration the overall circumstances of the case, the learned Tribunal assessed the monthly income of the deceased at ₹3,000/-. The said assessment cannot be said to be arbitrary or unreasonable, particularly when the claimants failed to substantiate their assertions regarding higher income through credible evidence. Thus, the finding recorded by the learned Tribunal with respect to the income of the deceased does not call for any interference.

8. Further, compensation requires reassessment strictly in terms of the principles laid down by Hon'ble the Supreme Court in ***National Insurance Co. Ltd. v. Pranay Sethi, (2017) 16 SCC 680, Magma General Insurance Co. Ltd. v. Nanu Ram alias Chuhru Ram, 2018 (18) SCC 130 and Sarla Verma v. DTC, (2009) 6 SCC 121,*** wherein the framework for computation of "loss of

dependency" by addition towards future prospects as per the nature of employment, deducting personal expenses of deceased, and applying appropriate multiplier on the basis of age of the deceased, and standardized amounts for conventional heads such as loss of estate, funeral expenses and loss of consortium, has been settled. The present matter, therefore, call for recalculation of the amount under each of these heads by applying the correct deduction on basis of dependency and correct multiplier relatable to the age of the deceased and by granting the admissible sum towards consortium and other conventional heads as mandated in the aforesaid decisions. The reassessment is structured as under:

<u>REASSESSED COMPUTATION</u>

Particulars	**Award by Tribunal (₹)**	**Reassessed Award (₹)**
Monthly Income	3,000/-	**3,000/-**
Income With Future Prospects (40%)	x	**4,200/- (3,000 + 1,200)**
After Deduction (4 Dependents)	2,000/- (1/3rd for personal expense)	**3150/- (1/4th for personal expense)**
Annual Contribution To Family	24,000/-	**37,800/- (3,150 x12)**
Multiplier **(age 30 yrs)**	16	**17**
Loss Of Dependency	3,84,000	**6,42,600/- (37,800× 17)**
Spousal Consortium	15,000	**40,000/-**
Parental Consortium	x	**40,000/-**
Filial Consortium	x	**80,000**
Funeral Expenses	10,000	**15,000/-**
Loss Of Estate	x	**15,000/-**
Total	4,09,000/-	**₹8,32,600/-**

9. Resultantly, the compensation awarded by the learned Tribunal is enhanced from ₹4,09,000/- to **₹8,32,600/-**. 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 and apportionment of the compensation shall remain the same as determined by the learned Tribunal.

10. 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.

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

(VIRINDER AGGARWAL)
JUDGE

06.03.2026
Poonam

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