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

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FAO-5174-2003 (O&M)
Reserved on: 25.05.2026
Pronounced on: 03.07.2026
Uploaded on: 03.07.2026

Shanti Devi **……Appellant**

Versus

Satish Kumar and others **…Respondents**

CORAM: HON'BLE MR. JUSTICE AMARINDER SINGH GREWAL

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Present: Mr. D.S Malik & Ms. Ved Priya Malik, Advocates,
for the appellants.

Mr. Deepshikha, Advocate, for respondent ,ll,lNo.1 to 4.

Mr. Neeraj Khanna, Advocate,
for the respondent No.7 (Insurance Company)

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<u>AMARINDER SINGH GREWAL, J.</u>

1. The present appeal has been filed by the appellant–claimant seeking enhancement of the compensation awarded by the learned Motor Accident Claims Tribunal, Jhajjar (hereinafter "*the Tribunal*"), vide award dated 06.09.2003, whereby a sum of ₹1,27,000/- was granted on account of the death of Mamta, daughter of the appellant No.1, in the motor vehicular accident dated 19.10.2000, due to rash and negligent driving of respondent No.1.

2. Learned counsel for the claimant contended that, the learned Tribunal awarded grossly inadequate compensation by ignoring the evidence on record and the settled principles governing assessment of compensation. Further, it was submitted that the deceased was an exceptionally meritorious student, holding an M.Sc. in Microbiology, having qualified the National Eligibility Test for Junior Research Fellowship conducted by CSIR-UGC, and was pursuing Ph.D. research at the Institute of Microbial Technology, Chandigarh, while receiving a stipend of ₹5,000 per month, besides earning

approximately ₹30,000 per month through tuition, all of which was overlooked while assessing her income. Furthermore, it was contended that the deceased had bright future prospects, being eligible for appointment as a lecturer with opportunities for employment abroad, and therefore her income ought to have been assessed at a substantially higher figure by considering future earning potential. Significantly, he assailed that the application of a multiplier of only 4, contending that the learned Tribunal erroneously presumed that the deceased would have married within a few years and ceased to support her widowed mother, whereas the claimant, being dependent upon the deceased, was entitled to compensation by applying a multiplier of at least 15. Moreover, it was submitted that the deduction towards the deceased's personal and living expenses was excessive, as she was residing in the girls' hostel and, in any event, only one-third of the income ought to have been deducted. Lastly, it was submitted that the amounts awarded under the conventional heads were wholly inadequate, as no compensation was granted towards loss of love and affection and mental agony suffered by the claimant-mother, warranting substantial enhancement of the compensation awarded by the learned Tribunal. Reliance has been placed on Judgment rendered by this court in ***Kamlesh Kumari through LR and anr. vs. Union Of India, FAO-537-2010***.

3. *Per contra*, learned counsel for respondent No.1 to 4 as well as learned counsel for respondent No.7-Insurance Company submitted that the award passed by the learned Tribunal does not suffer from any irregularity or infirmity, and that the findings recorded therein are well-reasoned on the basis of the material available before the learned Tribunal. It was accordingly contended that no ground is made out for interference in appeal.

4. I have heard learned counsel for the parties and examined the record, with their able assistance.

5. The learned Tribunal has erred in law in awarding compensation on the lower side, inasmuch as it failed to grant any addition towards future prospects, applied a multiplier of merely '4', assessed the monthly income of the deceased on an unduly conservative basis and awarded wholly inadequate amounts under the conventional heads. Consequently, the quantum of compensation deserves to be reassessed in the light of the settled principles governing motor accident claims.

6. While examining the question regarding the income of the deceased, it is noticed that the learned Tribunal assessed her income at ₹5,000/- per month by treating the amount of stipend received by her during the course of her Junior Research Fellowship as her sole income and completely discarded the evidence regarding tuition earnings merely for want of documentary proof. The approach adopted by the learned Tribunal cannot be sustained. It is true that the claimant could not produce documentary evidence to establish that the deceased was earning ₹30,000/- per month by imparting tuition. However, that by itself could not have justified ignoring the exceptional academic credentials and earning potential of the deceased. The evidence on record unequivocally established that the deceased had qualified the National Eligibility Test for Junior Research Fellowship conducted by CSIR-UGC and was pursuing Ph.D. Further, Ex.P-3 establishes that she was receiving a research stipend of ₹5,000/- per month. These facts unmistakably demonstrate that the deceased was not an ordinary student but a research scholar pursuing an established academic career with substantial prospects of advancement. Keeping in view the settled position of law as enunciated by the Hon'ble Supreme Court in ***Sharad Singh (dead) Through LR. v. H.D. Narang, 2025 INSC 1164***, wherein it has been categorically held that while determining just compensation under the Motor Vehicles Act, due regard must be given not only to the present status of the

deceased but also to his academic qualifications and the reasonable prospects of future advancement.

7. Hence, having regard to the academic standing and career trajectory of the deceased, this Court is of the considered opinion that even if the evidence regarding tuition income is left out of consideration, it would be wholly unrealistic to confine her earning capacity to the fellowship stipend of ₹5,000/- per month. A research scholar possessing a postgraduate degree, having qualified the CSIR-UGC National Eligibility Test and pursuing doctoral studies had every reasonable prospect of securing employment as a Lecturer or in the field of research immediately upon completion of her doctoral programme. Therefore, a notional monthly income of ₹8,000/- would constitute a fair, reasonable and conservative assessment of her earning capacity for the purpose of computing compensation.

8. Further, the finding of the learned Tribunal in applying a multiplier of '4' is equally unsustainable. The learned Tribunal proceeded on the assumption that the deceased, being an unmarried daughter aged about 22 years, would have married within the next three to four years and consequently would have ceased to support her widowed mother. Such an approach is founded entirely on conjectures and social presumptions rather than legal principles. Assessment of compensation under the Motor Vehicles Act cannot rest upon speculative assumptions regarding the future marital status of the deceased or the possibility that, upon marriage, she would have discontinued extending financial assistance to her parent. The evidence on record clearly establishes that the claimant was a widow whose husband had predeceased the deceased and that the deceased was residing with and financially supporting her mother. The mere existence of another sibling cannot lead to an automatic inference that the claimant would cease to be dependent upon the deceased. Dependency is a

question of fact and not of presumption. The learned Tribunal, therefore, fell in grave error in restricting the period of dependency to merely four years solely on the premise that the deceased was likely to marry in the near future.

9. In view of the law laid down by the Hon'ble Supreme Court in ***National Insurance Company Limited v. Pranay Sethi (2017) 16 SCC 680***, 40% is liable to be added towards future prospects, and the appropriate multiplier applicable having regard to the age of the deceased is '18', with deduction of one-half towards personal expenses as there is only one dependent. Hence, the compensation amounts to ₹12,09,600/- (₹8000 + 40% = ₹11,200 × 12 = ₹1,34,400 − 1/2 = ₹67,200 × 18 = ₹12,09,600/-).

10. In addition, thereto, the claimant is held entitled to ₹48,400/- towards filial consortium. Further, the claimant is entitled to ₹18,150/- towards loss of estate and ₹18,150/- towards funeral expenses (escalation @10% every three years as per the law laid down by the Hon'ble Supreme Court in ***Pranay Sethi's case (supra)***). Accordingly, the total compensation payable to the claimant is computed as ₹12,94,300/- (₹12,09,600/- + ₹48,400/- + ₹18,150/- + ₹18,150/-)

11. The enhanced compensation in the appeal, i.e. ₹11,67,300/- (₹12,94,300/- − ₹1,27,000/-) shall also carry interest @ 7.5% per annum from the date of filing of the claim petition till its realization, payable by respondent No.7 to the appellant-claimant. Hence, the appeal is allowed in above terms.

12. Pending application(s), if any, shall also stand disposed of.

JULY 03, 2026 **(AMARINDER SINGH GREWAL)**
nitin/ss **JUDGE**

Whether Speaking Yes
Whether Reportable No

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I attest to the accuracy and integrity of this document