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

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FAO-162-1991
Date of Decision:20.04.2026

SALOCHANA DEVI AND OTHERS

.....Appellants

VERSUS

HARDEEP SINGH AND OTHERS

.....Respondents

CORAM:- HON'BLE MR. JUSTICE YASHVIR SINGH RATHOR

Present:- Mr. Yogesh Jangra, Advocate
for the appellants.

Mr. Vinod Gupta, Advocate
for respondent No.3-Insurance Company.

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YASHVIR SINGH RATHOR, J. (ORAL)

1. This appeal has been instituted against the Award dated 13.10.1990 for enhancement of compensation awarded in MACT Case No.39 of 1989 decided by the MACT, Hissar (**for short "Tribunal"**), vide which a sum of Rs.1,68,960/- has been awarded as compensation to the claimants/appellants along with interest at the rate of 12% per annum from the date of filing of claim petition till realization on account of death of Phool Chand in a motor vehicle accident.

2. From the pleadings of parties, following issues were framed by learned Tribunal:-

> *"1. Whether the accident was the result of rash and negligent driving of motor-cycle No.PJP/9397 driven by respondent No.1 Hardeep.*

> 2. *To what amount of compensation, if any, the petitioners are entitled to and from whom?*
> 3. *Whether the respondent Insurance Company is not liable to make may payment on the ground that the said motor cycle was not insured on the date of accident?*
> 4. *Relief.*

3. Thereafter, the parties led evidence in support of their case.

4. After hearing the parties and going through the material on the file, learned Tribunal awarded a sum of Rs.1,68,960/- as compensation to the claimants/ appellants, on account of death of Phool Chand along with interest @ 12% per annum from the date of filing of claim petition till realization.

5. Feeling aggrieved, the appeal in hand has been preferred. The material on file has been perused and parties have been heard.

6. It is pertinent to mention that the record of the present appeal and the Tribunal has got burnt in a fire incident in the High Court and the present appeal has to be decided on the basis of the facts and evidence discussed by the Tribunal in the impugned Award.

7. The only issue required to be determined in the present appeal relates to the assessment of compensation. Therefore, the entire facts regarding the manner of the accident are not required to be reproduced in detail, as the Tribunal has already held under Issue No.1 that the accident had occurred due to the rash and negligent driving on the part of respondent No.1 while driving the offending bus bearing No.PJP-9397, owned by respondent No.2 and insured with respondent No.3. No appeal or cross-objections have been filed by respondents, challenging

the said finding and accordingly finding on issue No.1 is not required to be interfered with.

8. Learned counsel for the appellants argued that the impugned award vide which compensation of Rs.1,68,960/- has been awarded is based on conjectures and surmises and is liable to be set aside and enhanced amount of compensation should be awarded. Learned counsel contended that compensation awarded to the claimants has been assessed on lower side. Future prospects have also not been added to the monthly income of the deceased contrary to settled provisions of law. Learned counsel further contended that deceased was 23 years of age and multiplier of 16 has been applied whereas multiplier of 18 should have been applied. No compensation has been awarded under conventional heads i.e. loss of consortium, loss of estate and funeral expenses and he prayed that same be suitably enhanced. Learned counsel for the appellants has pointed out that claimants No.4 and 5, who are mother and father of the deceased, have died and as such, compensation qua share of claimants No.4 and 5 be given to their legal heirs. In support of his contentions, learned counsel for the appellants has relied upon 2009(6) SCC 121 **Sarla Verma and others Vs. Delhi Transport Corporation and Another**, 2017 (16) SCC 680 **National Insurance Co. Ltd Vs. Pranay Sethi and Other**, 2018 (4) R.C.R. (Civil) 333 **Magma General Insurance Co. Ltd. v. Nanu Ram alias Chuhru Ram & Others**, (2021) 11 SCC 780 **United India Insurance Co. Ltd. Vs. Satinder Kaur.**

9. On the other hand, learned counsel for respondent No.3 argued that the award in question is well reasoned and justified. The material on file has been

appreciated in the correct perspective while assessing the compensation and no interference in the same is thus called for and appeal in hand be dismissed.

10. The term `just compensation' has been elaborated by Hon'ble Supreme Court in **2009(1) RCR (Civil) 867 (SC), Syed Basheer Ahamed and Others Vs. Mohd. Jameel and Another**, and it has been held that while assessing compensation in a motor accident claims case, the Tribunal should award compensation which appears to be just. The expression "which appears to be just" vests a wide discretion in the Tribunal in the matter of determination of compensation. Nevertheless, the wide amplitude of such power does not empower the Tribunal to determine the compensation arbitrarily, or to ignore settled principles relating to determination of compensation. It has been further held that although the Act is a beneficial legislation, it can neither be allowed to be used as a source of profit, nor as a windfall to the persons affected nor should it be punitive to the persons liable to pay compensation and that determination of compensation must be based on certain data establishing reasonable nexus between the loss incurred by the victim or dependents. It has been further held that misplaced sympathy, generosity and benevolence cannot be the guiding factors for determining the compensation. As such, compensation is required to be assessed by taking into consideration above-said parameters.

11. As per version of claimants, deceased was working as Water Pump Operator in Public Health Department and was getting a salary of Rs.1,322/- per month as per salary certificate Ex.P1, which has been duly proved by PW1 Suraj Parkash SDC, Public Health, Sub-Division, Tohana. No evidence to prove to the

contrary has been led by respondents. Since, the deceased was in Government employment, there is no reason to disbelieve the testimony of PW1 as well as the salary certificate Ex.P1. As such, it is established that the deceased was earning Rs.1,322/- per month as on the date of accident. Accordingly, income of deceased is taken as **Rs.1,322/-** per month.

12. Deceased was 23 years of age and was a permanent government employee. Accordingly, 50% amount has to be added to the monthly income of the deceased towards future prospects in view of law laid down in **Pranay Sethi's case (supra),** which takes his income to **Rs.1,983/- per month (Rs.1,322/-** + **Rs.661/-).**

13. As per claimants, deceased has left behind five dependents including his wife, two minor daughters and parents. However, in view of law laid down in **Sarla Verma's case (supra),** father cannot be termed as dependent upon his deceased son and he is thus not entitled to any compensation except on account of filial consortium. As such, deceased has thus left behind four dependents and 1/4th of the income has to be deducted towards personal and living expenses as per law laid down in **Sarla Verma's case (supra)** and after deducting the same, the monthly loss of dependency comes out to Rs.1,487/- and the annual loss of dependency comes out to **Rs.17,844/- (Rs.1487/- X 12).**

14. Since deceased was 23 years of age, multiplier of 18 has to be applied in view of the guidelines laid down in **Sarla Verma's case (supra)**, and after applying the same, the total loss of dependency comes out to **Rs.3,21,192/- (Rs. Rs.17,844/- x 18).**

15. The accident in question had taken place in the year 1989. Hon'ble Supreme Court in **Pranay Sethi's case (supra)** has awarded a sum of Rs.40,000/- as loss of consortium, Rs.15,000 each towards loss of estate and funeral expenses. This judgment was passed by the Hon'ble Supreme Court in the year 2017 and since the accident in the present case had taken place in the year 1989, the claimants cannot be held entitled to a sum of Rs.70,000/- under the conventional heads in view of the prevailing price index in the year 1989. Accordingly, claimant No.1 (wife) is held entitled to a sum of Rs.20,000/- towards loss of consortium, Rs.7,500/- towards loss of estate and Rs.7,500/- towards funeral expenses. Likewise, claimants No.2 and 3 (daughters of the deceased) and claimant No.4 and 5 (mother and father of the deceased) are also held entitled to a sum of Rs.20,000/- each on account of loss of parental and filial consortium, in view of law laid down in ***Nanu Ram's case (supra)* and *Satinder Kaur's case (supra)*, which takes the compensation to Rs.4,36,192/- (Rs.3,21,192/- + Rs.1,15,000/-).**

16. Accordingly, the compensation to be awarded to the appellants/claimants is assessed as under:-

S.No.	**Under Head**	
1.	Monthly income of deceased	Rs.1322/- per month
2.	Age of deceased	23 years
3.	Future prospects @50%	Rs.661/-
4.	Total income	Rs.1983/-
5.	Number of dependents	4
6.	Deduction towards personal expenses of the deceased	Rs.496/- (1/4th)
7.	Monthly loss of dependency	Rs.1,487/-
8.	Annual loss of dependency	Rs.17,844/- (Rs.1487/- X 12)

9.	Multiplier	18
10.	Compensation on account of Loss of dependency	Rs.3,21,192/- (Rs.17,844/- x 18)
11.	Compensation under conventional heads to claimant No.1- wife	Rs.35,000/-
12.	Compensation to remaining claimants for loss of parental and filial consortium (daughters mother and father)	Rs.80,000/- (Rs.20,000/- x 4)
	Total Compensation	**Rs.4,36,192/-**
	Interest	9%

17. Resultantly, the appeal in hand is partly accepted with costs and appellants/claimants are held entitled to a sum of **Rs.4,36,192/-** as compensation. The enhanced compensation thus comes out to **Rs.2,67,232/- (Rs.4,36,192/- - Rs.1,68,960/-) (rounded off to Rs.2,67,000/-)** over and above the compensation awarded by the Tribunal along with interest at the rate of 9% per annum from the date of filing of claim petition i.e. 03.08.1989 till realization payable by respondents No.1 to 3 jointly and severally. Out of the enhanced compensation, a sum of Rs.50,000/- each along with proportionate interest be paid to claimants No.2 to 4, a sum of Rs.20,000/- along with proportionate interest be paid to claimants No.5 while balance amount be paid to claimant No.1 along with proportionate interest. Since, appellants No.4 and 5-mother and father of the deceased have already died, the compensation qua their share along with proportionate interest will be given to their legal heirs.

18. Registry is directed to email the authenticated copy of the award to the respondent Insurance Company in terms of directions issued by the Hon’ble Supreme Court in Writ Petition (Civil) No.534 of 2020 titled **Bajaj Allianz General Insurance Company Versus Union of India and others,**

decided on 16.03.2021 and Insurance Company shall comply with the directions as issued under Clause (F) of the said judgment.

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

(YASHVIR SINGH RATHOR)
JUDGE

20.04.2026
Priyanka Thakur

Whether Speaking/reasoned Yes/No
Whether Reportable Yes/No