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

(215) **FAO-748-2002(O&M)**
Date of Decision-05.03.2026

GURVINDER KAUR AND OTHERS … APPELLANTS

VERSUS

RAJ SINGH AND OTHERS … RESPONDENTS

CORAM: HON'BLE MR. JUSTICE VIRINDER AGGARWAL

Present: Mr. Paramveer Singh, Advocate,
for appellants.

None for Respondents.

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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 29.09.2001 passed by the Motor Accident Claims Tribunal, Panchkula, whereby the compensation of ₹9,10,000/- along with interest at 9% per annum was granted on account of death of Ravinder Singh in a motor vehicular accident that took place on 05.05.2000.

BACKGROUND FACTS

2. The brief facts, as borne out from the record, are that on 05.05.2000, Ravinder Singh was returning to his residence at Pinjore from the Railway Workshop, Kalka, on his scooter bearing registration No. HR-03-7316. At about 5:30 p.m., when he reached near Thandi Pulia, Pinjore, a gas tanker bearing registration No. CH-01-B-5088, driven by respondent No.1 in a rash and negligent manner and coming on the wrong side of the road, struck against the scooter of the deceased. Due to the forceful impact, Ravinder Singh

sustained multiple injuries and succumbed to the same at the spot. In respect of the said occurrence, a criminal case was registered against the driver of the offending vehicle. 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 Ravinder Singh.

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 Ravinder Singh, stood duly established and had occurred on account of the rash and negligent driving of respondent No.1, Raj Singh, while driving gas tanker bearing registration No. CH-01B-5088. The finding on negligence was primarily founded upon the cogent and reliable testimony of Virender Kumar (PW-1) and Mohinder Singh (PW-4), who appeared as eye-witnesses to the occurrence. The testimony of the said witnesses remained unshaken during cross-examination and stood duly corroborated by the contemporaneous documentary record, including FIR (Ex. P-1) and the post-mortem report (Ex. P-3) placed on record. In the absence of any convincing rebuttal from the respondents, who failed to lead any evidence and whose contradictory pleas in the written statement lacked credibility, the learned Tribunal held that the accident had occurred solely due to the negligent driving of the offending gas tanker by respondent No.1, drawing an adverse inference from the non-examination of the driver. While assessing the quantum of compensation, the learned Tribunal observed that the claimants had duly established through the salary certificate (Ex. P-4) and the service record that the deceased Ravinder Singh was employed as a Moulder (Technician Grade-II) in the Railway Workshop at Kalka. The evidence revealed that the deceased was drawing a gross monthly salary of ₹7,561/-, with

a take-home salary of ₹5,070/- after deductions, and was also entitled to an annual bonus of ₹4,438/-. Taking these factors into consideration, the learned Tribunal assessed the annual dependency of the widow and three minor children being the Class-I heirs of the deceased at ₹60,000/- P.A. after making a deduction of one-third towards the personal and living expenses of the deceased. The age of the deceased was taken as 41 years at the time of the accident and, accordingly, a multiplier of 15 was applied. On this basis, the loss of dependency was computed at ₹9,00,000/-. In addition thereto, a sum of ₹10,000/- was awarded towards funeral expenses. Consequently, the learned Tribunal awarded a total compensation of ₹9,10,000/- in favour of claimants Nos. 1 to 4 along with interest at the rate of 9% per annum from the date of filing of the claim petition till its realization. The liability to pay the awarded compensation was held to be joint and several upon the driver, owner and insurer of the offending vehicle.

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.

OBSERVATIONS AND FINDINGS

5. I have heard learned counsel for appellants 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.

6. Firstly, with regard to the income of the deceased, the same stands duly proved on record by way of the salary certificate (Ex. P-4) and the service record produced before the learned Tribunal, which establish that the deceased Ravinder Singh was employed as a Moulder (Technician Grade-II) in the Railway Workshop, Kalka. The said record reflects that the deceased was drawing a gross monthly salary of ₹7,561/-. However, the learned Tribunal erred in taking into consideration only the net carry-home salary of ₹5,070/- for the purpose of computation of compensation after deducting various amounts from the gross salary. The deductions in the salary are primarily towards provident fund and other recoveries, which are essentially savings or deferred benefits payable either to the employee or to his legal heirs. Such deductions cannot be excluded while determining the income of the deceased for the purpose of assessing just compensation. It is well settled that only statutory deductions such as income tax, if applicable, can be excluded while computing the income of the deceased. However, so far as the addition of annual bonus is concerned, the same cannot be treated as part of the income of the deceased for

the purpose of determining dependency, particularly in view of the fact that after the death of the deceased, his widow has been provided employment in the Railways and is also receiving family pension. In these circumstances, the bonus which was contingent upon the service of the deceased cannot be added to the income for the purpose of computing compensation. Accordingly, the proper income of the deceased for the purpose of assessment is required to be taken as the gross monthly salary of ₹7,561/-.

7. Moreover, this Court finds that the learned Tribunal has erred in law in declining compensation to petitioner No.5, namely the father of the deceased. A perusal of the award reveals that the learned Tribunal excluded him from the grant of compensation on the ground that he was a Class-II heir, whereas the widow and minor children of the deceased fall within the category of Class-I heirs, and therefore he could not be treated as a dependent for the purpose of computation of compensation. On this reasoning, the learned Tribunal confined the award only to the widow and minor children of the deceased. Such an approach, however, is legally unsustainable. It is a settled proposition under the Motor Vehicles Act, 1988 that the entitlement to claim compensation is not strictly conditioned upon proof of financial dependency, and that every "legal representative" who suffers on account of the death of a person in a motor vehicular accident is entitled to maintain a claim petition. The determination of entitlement under the Act is not governed by the rigid rules of succession applicable under personal law. The Hon'ble Supreme Court in ***Sadhana Tomar v. Ashok Kushwaha 2025 SCC ONLINE SC 554*** has categorically held that the expression "legal representative" occurring in Section 166 of the Act deserves a liberal and wider interpretation so as to advance the object of the legislation. The Hon'ble Apex Court clarified that even the father and younger sister of the

deceased fall within the ambit of legal representatives and are entitled to claim compensation, irrespective of whether they were strictly financially dependent upon the deceased. The Motor Vehicles Act being a benevolent legislation aimed at providing just and fair compensation to the family members of the deceased, the term "legal representative" cannot be narrowly construed. In view of the aforesaid settled position of law, the father of the deceased clearly qualifies as a legal representative and is entitled to be considered for grant of compensation. The denial of compensation to petitioner No.5 by the learned Tribunal, therefore, runs contrary to the settled legal principles and cannot be sustained. He is accordingly held entitled to compensation in accordance with law.

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:

REASSESSED COMPUTATION

Particulars	Reassessed Award (₹)
Monthly Income	**7,561/-**
Income With Future Prospects (30%)	**9,830/-** **(7,561 + 2,269)**
After Deduction (5 Dependents)	**7,372/-** **(1/4th for personal expense)**
Annual Contribution To Family	**88,464/-** **(7,372 x12)**
Multiplier **(age 41 yrs)**	**14**
Loss Of Dependency	**12,38,496/-** **(88,464 × 14)**
Spousal Consortium	**40,000/-**
Parental Consortium	**1,20,000/-**
Filial Consortium	**40,000**
Funeral Expenses	**15,000/-**
Loss Of Estate	**15,000/-**
Total	**₹14,68,496/-**

9. Resultantly, the compensation awarded by the learned Tribunal is enhanced from ₹9,10,000/- to **₹14,68,496/-**. The enhanced amount shall carry the interest at rate of 7% per annum from the date of filing of the claim petition till realization. All the respondents are held jointly and severally liable to pay the aforesaid enhanced compensation to the claimants. The appellant no.5-father of deceased would get only ₹40,000/- on account of loss of filial consortium.

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

05.03.2026
POONAM

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