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

(224) **FAO-4672-2003(O&M)**
Date of Decision-11.03.2026

BACHNI DEVI AND OTHERS ... APPELLANTS

VERSUS

DEEPAK SHARMA AND OTHERS ... RESPONDENTS

CORAM: HON'BLE MR. JUSTICE VIRINDER AGGARWAL

Present: Ms. Ekta Thakur , Advocate,
Ms. Kulwinder Kaur, Advocate
for appellants

Mr. Sahej Mahajan, Advocate
for respondent No. 3/Insurance Company

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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 09.08.2003 passed by the Motor Accident Claims Tribunal, Chandigarh, whereby the compensation of ₹7,30,000/- along with interest at 9% per annum was granted on account of death of Prem Chand in a motor vehicular accident that took place on 07.11.2001.

BACKGROUND FACTS

2. The brief facts, as borne out from the record, are that on 07.11.2001 at about 4:15 p.m., Prem Chand was riding his bicycle on the dividing road of Sectors 10 and 3, Chandigarh. At that time, a Fiat Uno car bearing registration No. CH-03-B-8055 came from the opposite direction and struck against him. As a result of the impact, Prem Chand fell on the road and sustained multiple serious injuries. He was immediately taken to PGI, Sector-12, Chandigarh,

where he succumbed to the injuries on the same day at about 10:45 p.m. A criminal case was also registered in respect of the accident at Police Station Sector-3, Chandigarh. 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 Prem Chand.

3. Upon a comprehensive appraisal 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 Prem Chand, stood duly established and had occurred on account of the rash and negligent driving of the Fiat Uno car bearing registration No. CH-03-B-3055. The finding on negligence was primarily founded upon the testimony of Surjit Singh (PW-1), who appeared as an eye-witness to the occurrence and categorically deposed that the offending vehicle was being driven in a rash and negligent manner and had struck the bicycle of the deceased. The said testimony remained unrebutted during cross-examination and stood corroborated by the contemporaneous documentary evidence placed on record, including the FIR (Ex. P2) as well as the post-mortem report (Ex. P-2), which established that the deceased had succumbed to the injuries sustained in the accident. Further, the learned Tribunal also observed that although the FIR mentioned that a female was driving the vehicle, the reliable ocular testimony on record clearly established that respondent No.1 was driving the offending vehicle at the time of the accident.

4. While assessing the quantum of compensation, the learned Tribunal took into consideration the evidence relating to the income of the deceased. It was noticed that Prem Chand was employed as a Fitter in the Municipal Committee, Public Health Department, Chandigarh, and as per the salary certificate

produced on record, he was drawing a monthly salary of ₹9,118/-. The claimants had further asserted that the deceased was also earning some income from dairy farming. Taking these circumstances into account, the learned Tribunal assessed the total monthly income of the deceased at ₹10,000/-. After deducting a sum of ₹3,500/- towards personal and living expenses of the deceased, the monthly dependency of the family was assessed at ₹6,500/-, resulting in an annual dependency of ₹78,000/-. The age of the deceased was taken as 54 years at the time of the accident and, accordingly, a multiplier of 9 was applied. On this basis, the loss of dependency was computed at ₹7,02,000/-. In addition thereto, the Tribunal awarded a sum of ₹20,000/- towards loss of consortium to the widow and ₹8,000/- towards transportation of the dead body, cremation and other last rites. Consequently, the learned Tribunal determined the total compensation payable to the claimants at ₹7,30,000/- along with interest at the rate of 9% per annum from the date of filing of the claim petition till realization.

CONTENTIONS

5. 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.

6. 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.

<u>OBSERVATIONS AND FINDINGS</u>

7. 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.

8. Firstly, with regard to the income of the deceased, the learned Tribunal examined the evidence brought on record in this regard and relied upon the salary certificate (Ex. P-3), which established that the deceased Prem Chand was employed as a Fitter in the Municipal Committee, Public Health Department, Chandigarh. As per the said certificate, the deceased was drawing a monthly salary of ₹9,118/-. The claimants had also asserted that the deceased was earning additional income from dairy farming. However, the learned Tribunal observed that no cogent or reliable evidence had been produced on record to substantiate the said assertion regarding income from dairy farming. In the absence of any documentary proof or independent evidence to establish such additional earnings, the learned Tribunal rightly declined to place reliance

upon the bald statement made by the claimants in this regard. Nevertheless, keeping in view the overall circumstances of the case and the material available on record, the learned Tribunal assessed the total monthly income of the deceased at ₹10,000/-. Accordingly, the determination of income by the learned Tribunal cannot be said to suffer from any legal infirmity, particularly when the claimants failed to adduce any credible evidence to prove that the deceased was deriving any regular or substantial income from dairy farming.

9. 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	7,383/-	**10,000/-**
Income With Future Prospects	x	**11,500/-**

(15%)		**(10,000 + 1,500)**
After Deduction (4 Dependents)	6,500/-	**8,625/-** **(1/4th for personal expense)**
Annual Contribution To Family	78,000 (6,500 x 12)	**1,03,500/-** **(8,625 x12)**
Multiplier **(age 54 yrs)**	9	**11**
Loss Of Dependency	7,02,000 (78,000 x 9)	**11,38,500/-** **(1,03,500 × 11)**
Spousal Consortium	20,000	**40,000/-**
Parental Consortium	x	**1,20,000/-**
Funeral Expenses	8,000	**15,000/-**
Loss Of Estate	x	**15,000/-**
Total	7,30,000/-	**₹13,28,500/-**

10. Resultantly, the compensation awarded by the learned Tribunal is enhanced from ₹7,30,000/- to **₹13,28,500/-**. 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.

11. 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.

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

(VIRINDER AGGARWAL)
JUDGE

11.03.2026
POONAM

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