IN THE HIGH COURT OF PUNJAB & HARYANA
AT CHANDIGARH

207

FAO-3237-2001
Date of decision: 19.05.2026

SMT.SATYA KUMARI AND OTHERS ....Appellants

Versus

GURMAIL SINGH & ANR. ...Respondents

CORAM: HON'BLE MR. JUSTICE YASHVIR SINGH RATHOR

Present : Mr. Vijayveer Singh, Advocate and
Mr. Paramveer Singh, Advocate for the appellant.

Mr. Vinod Gupta, Advocate for
respondent No.2- Oriental Insurance Company.

YASHVIR SINGH RATHOR. J.(Oral)

1. This appeal has been instituted for enhancement of compensation against the Award dated 22.11.2000 awarded in MACT case No.69 of 1999 decided by the MACT, Ambala (**for short "Tribunal"**) in a petition under Section 166 and 163-A of Motor Vehicles Act, 1988, vide which a sum of Rs.2,07,000/- has been awarded as compensation to the claimants alongwith interest at the rate of 12% per annum from the date of filing of claim petition till realization on account of death of Buta Ram in a motor vehicle accident.

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

"1) Whether the deceased Buta Ram died in a road side accident which was caused due to rash and negligent driving of truck bearing No.HNA-3614 being driven by its driver?OPP

2) If issue no.1 is proved in affirmative then to what amount of compensation the claimants are entitled to and from whom?OPP

3) Whether the respondent no.1 was not having valid and *effective driving licence at the time of accident?OPR*

4) Whether the Insurance Company is not liable?OPR

5) 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.2,07,000/- as compensation to the claimants alongwith 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 Registry 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 truck bearing No.HNA-3614. 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.2,07,000/- has been awarded is based on conjectures and surmises and is liable to be modified and enhanced amount of

compensation should be awarded. Future prospects have also not been added to the monthly income of the deceased contrary to settled provisions of law. The compensation awarded towards conventional heads is also on the lower side and he prayed that same be suitably enhanced. 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.2 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.

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 the claimants, deceased was 57 years of age and was a pensioner from the Army and was getting monthly pension of Rs.4,050/-. However, Tribunal has observed that claimants have not placed on file any document to prove that deceased was getting pension from the Army and such a record has been withheld by them without assigning any cogent reasons. One passbook has been produced to show that he was getting pension from the Army but Tribunal held that the production of passbook does not prove the factum of pension, as it is not so mentioned in the passbook that the amount was being received from the Army by way of pension. The only document regarding receipt of pension is Ex. P5, which is photocopy of the income tax return but in this return also, it is mentioned that the pension is being received from LIC, whereas, as per version of claimant-Satya Kumari while appearing as PW1, her husband had retired from the Army and was drawing pension and since the version of the claimant was contradictory, her version that the deceased was drawing pension from the Army was thus rightly not believed.

12. To prove his income, claimants have also led in evidence income tax return for the year 1996-1997 Ex. P4 and Ex. P5 and in the income tax return Ex.

P5, the annual income of the deceased was reflected as Rs.30,000/-. Even PW1-Satya Kumari deposed that salary of her husband was Rs.2,500/- per month and Tribunal thus rightly assessed his monthly income to be Rs.2,500/- and there is no reason to take a contrary view.

13. Deceased was 57 years of age and as such, 10% 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.2,750/- (Rs.2,500/- + Rs.250/-).**

14. Deceased has left behind four **dependents i.e. wife and three children**, and as such **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.2,063/- (Rs.2,750/- – Rs.687/-)** and the **annual loss of dependency** comes out to **Rs.24,756/- (Rs.2,063/- X 12).**

15. Since deceased was 57 years of age, multiplier of 9 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.2,22,804/-.**

16. In addition to this, **claimant No.1** is held entitled to a sum of **Rs.70,000/-** under conventional heads i.e. **Rs.40,000/-** towards loss of consortium, **Rs.15,000/-** towards loss of estate and **Rs.15,000/-** on account of funeral expenses, as per law laid down in **Pranay Sethi's case (supra).** Likewise, **claimants No.2 to 4** are also held entitled to a sum of **Rs.40,000/- each** on account of loss of parental 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.4,12,804/-** .

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

S.No.	Under Head	
1.	Monthly income of deceased	Rs.2,500/- per month
2.	Age of deceased	57 years
3.	Future prospects @ 10%	Rs.250/-
4.	Total income	Rs.2,750/-
5.	Number of dependents	4
6.	Deduction towards personal expenses of the deceased	Rs.687/- (1/4th)
7.	Monthly loss of dependency	Rs.2,063/-
8.	Annual loss of dependency	Rs.24,756/-
9.	Multiplier	9
10.	Loss of dependency	Rs.2,22,804/-
11.	Compensation under conventional heads to claimant No.1- wife	Rs.70,000/-
12.	Compensation to three children (loss of parental consortium)	Rs.1,20,000/- (Rs.40,000 × 3)
13.	Total Compensation	Rs.4,12,804/-
14.	Interest	9%

18. Resultantly, the appeal in hand is partly accepted with costs and appellants/claimants are held entitled to a sum of Rs.4,12,804/- as compensation. The enhanced compensation thus comes out to Rs.2,05,804/- (Rs.4,12,804/- - Rs.2,07,000/-) (rounded off to Rs.2,06,000/-) 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. 02.06.1999 till realization payable by respondents jointly and severally. Out of the enhanced compensation, a sum of Rs.40,000/- each along with proportionate interest be paid to claimants No.2 to 4 while remaining amount be paid to claimant No.1 along with proportionate interest.

19. 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.

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

(YASHVIR SINGH RATHOR)
JUDGE

19.05.2026
amandeep

Whether speaking/reasoned. : Yes/No
Whether Reportable. : Yes/No