IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH

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FAO-3324-2001
Date of decision: 04.02.2026

RISHPAL KAUR AND OTHERS

. . . . Appellants

Vs.

Gurcharan Singh and others

. . . . Respondents

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CORAM: HON'BLE MR JUSTICE DEEPAK GUPTA

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Present: - Mr. Saurabh Bhardwaj, Advocate, and
Mr. A.S. Virk, Advocate, for the appellants.

Mr. Sandeep Suri, Advocate,
for respondent No.3-Insurance Company.

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DEEPAK GUPTA, J.

The present appeal has been preferred by the claimants seeking enhancement of compensation awarded by the learned Motor Accidents Claims Tribunal, Kurukshetra. The claim arises out of a fatal motor vehicular accident dated 06.01.2000, in which Balwinder Singh lost his life on account of rash and negligent driving of car No. HR-07D-5754. His widow, minor children and parents filed a petition under Section 166 of the Motor Vehicles Act, 1988, claiming compensation from the driver, owner and insurer of the offending vehicle.

2. The learned Tribunal, vide award dated 03.05.2001, assessed the compensation at ₹3,32,200/- and held all the respondents jointly and severally liable to pay the said amount along with interest.

3. The claimants have assailed the award only on the question of quantum, contending that the learned Tribunal has grossly underestimated

the income of the deceased and failed to award compensation in accordance with settled principles of law.

4. Learned counsel for the appellants submits that the deceased was working in a workshop under the name and style of *Saggu Engineering Works*, assisting his brother, and was earning about ₹10,000/- per month. It is further contended that the Tribunal erred in assessing the income on a notional basis at ₹2,400/- per month, failed to grant any addition towards future prospects despite the deceased being below 40 years of age, and further restricted the compensation under the head of loss of consortium only to the widow, ignoring the entitlement of the children and parents.

5. *Per contra*, learned counsel for the Insurance Company submits that no cogent documentary evidence was produced to establish the actual income of the deceased. It is argued that the minimum wages for an unskilled worker at the relevant time were approximately ₹1,905/- per month, and therefore the notional income assessed by the Tribunal was, in fact, on the higher side. However, it is fairly conceded that the Insurance Company has not filed any appeal challenging the award.

6. Upon perusal of the record, it is evident that the claimants had asserted that the deceased was associated with *Saggu Engineering Works*. However, no partnership deed, account books, salary record or other documentary evidence was produced to substantiate the claim of income. There is also no evidence regarding the educational or technical qualifications of the deceased. In such circumstances, the learned Tribunal rightly resorted to notional income.

7. Though the notional income of ₹2,400/- per month is higher than the minimum wages prevalent at the relevant time, this Court finds no justification to reduce the same, particularly in the absence of any appeal by the Insurance Company. It is settled law that in a claimant's appeal, the compensation cannot be reduced unless the insurer has independently challenged the award.

8. As regards future prospects, the learned Tribunal committed an error in not granting any addition. The deceased was aged about 36 years at the time of the accident. In view of the settled legal position, even in cases of notional income, an addition towards future prospects is permissible. Accordingly, 40% addition to the income of the deceased is warranted.

9. As regards the deduction towards personal and living expenses, the deceased left behind five dependents, namely, widow, two minor children and parents. Therefore, deduction of 1/4th of the income towards personal expenses is justified, in accordance with settled principles.

10. Consequently, the compensation payable under the head of loss of dependency is recalculated as under:

(i) Monthly income (notional) : ₹2,400/-

(ii) Addition of 40% towards future prospects : ₹960/-

(iii) Total monthly income : ₹3,360/-

(iv) Deduction of 1/4th towards personal expenses : ₹840/-

(v) Monthly loss of dependency : ₹2,520/-

(vi) Annual loss of dependency : ₹30,240/-

(vii) Multiplier applicable (age 36 years) : 15

Accordingly, loss of dependency works out as : ₹4,53,600/-.

11. As regards compensation under conventional heads, the accident having occurred in January 2000, the amounts are to be awarded keeping in view the norms applicable to the said period. The claimants are held entitled to:

₹5,000/- towards loss of estate

₹5,000/- towards funeral expenses

₹12,000/- each towards loss of consortium, parental consortium and filial consortium to the widow, children and parents respectively, totalling ₹60,000/-

Thus, the total compensation payable to the claimants works out to:

Loss of dependency : ₹4,53,600/-

Conventional heads : ₹70,000/-

Total : ₹5,23,600/-

12. After deducting the amount of ₹3,32,200/- already awarded by the learned Tribunal, the claimants are entitled to an enhancement of ₹1,91,400/-.

13. Consequently, the appeal is allowed to the extent indicated above. The enhanced compensation of ₹1,91,400/- shall be payable to the appellants along with interest @ 7.5% per annum from the date of filing of the claim petition till realization, in same proportion as allowed by the Tribunal. The liability to pay the enhanced amount shall remain joint and several upon the respondents, as directed by the learned Tribunal. The appeal stands disposed of accordingly.

(DEEPAK GUPTA)
JUDGE

04.02.2026
Vivek

Whether Speaking/reasoned *Yes*
Whether reportable *No*