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

105 **FAO-4871-2002**
Date of decision: 02.07.2026

JYOTI SHARMA

....APPELLANT

VERSUS

PUNJAB ROADWAYS AND ANOTHER

...RESPONDENTS

CORAM: HON'BLE MR. JUSTICE YASHVIR SINGH RATHOR

Present: Ms. Ekta Thakur, Advocate and
Ms. Kulwinder Kaur, Advocate
for the appellant.

Ms. Niharika Sharma, AAG, Punjab.

YASHVIR SINGH RATHOR. J.(Oral)

1. This appeal has been instituted by claimant for enhancement of compensation against the Award dated 18.07.2002 passed in MACT Case No.358 of 15.11.2000 decided by the MACT, Chandigarh (**for short "Tribunal"**), in a petition under Section 166 of Motor Vehicles Act, 1988 vide which a sum of Rs.3,84,000/- has been awarded as compensation to the claimant/appellant along with interest at the rate of 9% per annum from the date of filing of claim petition till realization on account of death of Sham Lal Sharma in a motor vehicle accident due to rash and negligent driving of the bus No.PB-12-C-9071 by its driver, who also died in the accident.

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

> *"1. Whether the claimants are the legal heirs of the deceased respectively? OPP*
>
> *2. Whether the accident took place due to the rash and negligent driving of the driver of bus no.PB-12-C-9071, if so, its effect? OPP.*
>
> *3. If issues no.1 and 2 are proved, to what amount of compensation the claimants are entitled to and from whom of the respondents? OPR.*
>
> *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.3,84,000/- as compensation to the claimant/appellant, on account of death of Sham Lal Sharma along with interest @ 9% 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. 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.2 that the accident had occurred due to the rash and negligent driving on the part of driver while driving the offending bus bearing No.PB-12-C-9071. No appeal or cross-objections have been filed by respondents, challenging the said finding and accordingly finding on issue No.2 is not required to be interfered with.

7. Learned counsel for the appellant argued that the impugned award vide which compensation of Rs.3,84,000/- has been awarded is based on

conjectures and surmises and is liable to be modified and enhanced amount of compensation should be awarded. Learned counsel contended that compensation awarded to the claimant 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 no compensation has been awarded under conventional heads i.e. loss of consortium, loss of estate and funeral expenses and she prayed that same be suitably enhanced. In support of her contentions, learned counsel for the appellant has relied upon 2009(6) SCC 121 **Sarla Verma and others Vs. Delhi Transport Corporation and Another** and 2017 (16) SCC 680 **National Insurance Co. Ltd Vs. Pranay Sethi and Others.**

8. On the other hand, learned counsel for respondents 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.

9. 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.

10. As per version of claimant Jyoti Sharma, her father was a tailor by profession and was working with B.K. Tailors at Machhiwara and earning Rs.4500/- per month. Claimant tendered in evidence the salary certificate Ex.P3 of the deceased, according to which, he was getting salary of Rs.4,500/- per month. However, the Tribunal ignored the said certificate as the employer had not been examined to prove the certificate. Even otherwise, no corresponding record of payment of salary was produced and Tribunal thus rightly discarded the said certificate. However, the Tribunal treated the deceased as a skilled labourer as he was a tailor by occupation and assessed his monthly income to be Rs.3,000/- per month. In the present case, the accident had taken place in the year 2000 and deceased was a tailor and was thus a skilled person and in such cases, the Court is required to ensure just compensation based on preponderance of probabilities. Where the deceased belongs to unorganized sector, strict proof of income is not mandatory and notional income can be reasonably assessed based on the social status and facts and circumstances of the case. Hon'ble Supreme Court while deciding Civil Appeal No.15021 of 2024 titled **Karamjit Singh Vs. Amandeep Singh and another** vide judgment dated 17.12.2024 has held that a carpenter has to be treated as a skilled person and it will be unfair to classify a carpenter as an unskilled worker. Hon'ble Supreme Court in 2019 (5) RCR (Civil) 884, **Chameli**

Devi and others Vs. Jivrali Mian and others, has assessed the monthly income of a carpenter to be Rs.5000/- per month in the year 2001 and it was further held that in such cases where deceased is engaged in such type of profession, claimants can only lead oral evidence.

11. In the present case, the accident had taken place in the year 2000 and it can be assumed that the claimant who was a Tailor must be earning at least Rs.4,000/- per month while working as a tailor. Learned Tribunal has thus gravely erred while assessing his monthly income to be Rs.3,000/- per month, which is on lower side. Accordingly, income of claimant is taken as **Rs.4,000/-** per month.

12. Admittedly, deceased was 35 years of age and as such, 40% 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.5,600/-** per month **(Rs.4,000/- + Rs.1600/-).**

13. Deceased has left behind claimant as the sole dependent as her mother had already passed away and as such, 50% 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.2,800/- and the annual loss of dependency comes out to **Rs.33,600/- (Rs.2,800/- X 12).**

14. Since deceased was 35 years of age, multiplier of 16 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.5,37,600/- (Rs.33,600 x 16).**

15. In addition to this, claimant 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)**, which takes the compensation to **Rs.6,07,600/- (Rs.5,37,600/- + Rs.70,000/-)**.

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.4000/- per month
2.	Age of deceased	35 years
3.	Future prospects @40%	Rs.1600/-
4.	Total income	Rs.5600/-
5.	Number of dependent	1
6.	Deduction towards personal expenses of the deceased	Rs.2800/- (50%)
7.	Monthly loss of dependency	Rs.2,800/-
8.	Annual loss of dependency	Rs.33,600/- (Rs.2,800/- X 12)
9.	Multiplier	16
10.	Compensation on account of Loss of dependency	Rs.5,37,600/- (Rs.33,600 x 16)
11.	Compensation under conventional heads to claimant	Rs.70,000/-
	Total Compensation	**Rs.6,07,600/-**
	Interest	**9%**

17. Resultantly, the appeal in hand is partly accepted with costs and appellant/claimant is held entitled to a sum of **Rs.6,07,600/-** as compensation. The enhanced compensation thus comes out to **Rs.2,23,600/- (Rs.6,07,600/- - Rs.3,84,000/-) (rounded off to Rs.2,24,000/-)** 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. 15.11.2000 till realization payable by respondents jointly and severally.

18. Registry is directed to send the authenticated copy of the award to respondent No.1-Punjab Roadways through its Secretary Transport Chandigarh

and respondent No.2-Punjab Roadways through its General Manager, Chandigarh, for compliance.

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

(YASHVIR SINGH RATHOR)
JUDGE

02.07.2026
Priyanka Thakur

Whether speaking/reasoned	:	Yes/No
Whether reportable	:	Yes/No