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

(225) **FAO-1919-2005(O&M)**
Date of Decision-16.04.2026

Satya @ Neelam (Since Deceased) Through Lrs … Appellants

Versus

Ranjeet Singh And Others … Respondents

CORAM: HON'BLE MR. JUSTICE VIRINDER AGGARWAL

Present: Mr. Sandeep Punchhi, Advocate
for appellants.

Mr. S.P. Garg, Advocate
for respondent No.2/PRTC.

Mr. Harjinder Singh, Advocate
for respondent No.4/Insurance Company.

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VIRINDER AGGARWAL, J.(ORAL)

1. The present appeal has been preferred by the claimants seeking enhancement of the compensation awarded vide award dated 22.02.2005 passed by the learned Motor Accident Claims Tribunal, Sirsa, on account of the death of Bakhtwar Lal in a motor vehicular accident.

BACKGROUND FACTS

2. The brief facts of the case are that on 23.11.2002 at about 5:00 p.m., Bakhtawar Lal was driving his Santro car bearing registration No. HR-24-F-9750 near village Fatta Malokan, about two kilometers towards Sardulgarh, District Mansa (Punjab). His wife Satya @ Neelam, daughter Sameeta, son-in-law Sunil Kumar, grand-daughter Sonia and driver Mukhtiar Singh were also travelling in the said car. In the meantime, a Pepsu Transport Corporation bus bearing registration No. PB-11-H-9866, being driven by respondent No.1 Ranjeet Singh in a rash and negligent manner from the wrong side, struck

against the car, as a result of which Bakhtawar Lal sustained fatal injuries and other occupants suffered multiple grievous injuries. Bakhtawar Lal was immediately taken to Civil Hospital, Sardulgarh and was thereafter referred to Civil Hospital, Sirsa and then to Apollo Hospital, Delhi; however, he succumbed to his injuries in an ambulance while on the way to Delhi. In respect of the said accident, FIR No. 108 dated 24.11.2002 under Sections 279, 337, 338, 427 and 304-A IPC was registered at Police Station Sardulgarh against respondent No.1. 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 his death.Upon appreciation of the oral as well as documentary evidence on record, the learned Motor Accident Claims Tribunal, Sirsa awarded a sum of ₹3,76,000/- approximately (after deduction of ₹50,000 already paid to Satya @ Neelam as interim compensation) along with interest at the rate of 9% per annum from the date of filing of the claim petition till realization. The liability to pay the compensation was fastened jointly and severally upon the driver Ranjeet Singh, the owner i.e. Pepsu Transport Corporation/Punjab Roadways, the State of Punjab and the insurer i.e. National Insurance Company Ltd., with the first charge upon respondent No.4-National Insurance Company Ltd.

CONTENTIONS

3. Learned counsel for the appellants contended that the compensation awarded by the learned Tribunal is inadequate and contrary to the settled principles governing determination of just compensation under the Motor Vehicles Act. It was submitted that the learned Tribunal erred in assessing the income of the deceased and in applying an incorrect multiplier, which resulted in reduction of the compensation. It was further argued that no addition towards

future prospects was made and the amounts awarded under the conventional heads are also inadequate. On these grounds, enhancement of the compensation has been sought.

4. Per Contra, learned counsel for the respondent No.2 & 4 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.

OBSERVATIONS AND FINDINGS

5. 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.

6. Firstly, with regard to the income of the deceased, the learned Tribunal examined the evidence brought on record and considered the testimony of Satya @ Neelam (PW-2), who deposed that the deceased Bakhtawar Lal was the proprietor of M/s Bahiya and Company, New Mandi Sirsa, and was engaged in the business of a Commission Agent. She further stated that the deceased was a well-known transport contractor for more than 20 years, had served as President of the Sirsa Transport Union for several years, and also owned agricultural land in village Bahiya. According to her, the deceased was earning approximately ₹35,000/- per month from all sources. In support of the said claim, PW-2 also placed on record the income tax assessment certificates of the deceased for the assessment years 2002-2003 (Ex. P-4) and 2003-2004 (Ex. P-5), which reflected his annual income as ₹61,868/- and ₹71,815/- respectively. However,

upon a comprehensive appreciation of the entire evidence, the learned Tribunal assessed the annual income of the deceased at ₹70,000/-. The said approach of the learned Tribunal is legally sound and calls for no interference. Contention besides that he was having agricultural income has no force as incomes from all sources has to be shown in ITR and he could have claimed exemption for purpose of tax, if permissible. The learned Tribunal has rightly refrained from accepting the oral assertion of ₹35,000/- per month at its face value and has instead adopted a reasonable and balanced figure, keeping in view the income disclosed in the income tax returns as well as the overall circumstances on record. Accordingly, the income of the deceased has been rightly determined at ₹70,000/- per annum by the learned Tribunal.

7. 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	Award by Tribunal (₹)	Reassessed Award (₹)
Monthly Income	5,834/-	**5834/-**
Income With Future Prospects (10%)	x	**6,418/- (5834 + 584)**
After Deduction (4 Dependents)	3,889/- (1/3rd for personal expense)	**4813/- (1/4th for personal expense)**
Annual Contribution To Family	47,000 (3889 x 12)	**57,756/- (4,813 x 12)**
Multiplier **(age 51 yrs)**	8	**11**
Loss Of Dependency	3,76,000 (47,000 x 8)	**6,35,316/- (57,756 × 11)**
Spousal Consortium	25,000/-	**40,000/-**
Parental Consortium (3 Children)		**1,20,000/-**
Funeral Expenses	25,000/-	**15,000/-**
Loss Of Estate		**15,000/-**
Total	4,26,000/-	**₹8,25,316/-**

8. In view of the above, the appeal is partly allowed. The impugned award dated 22.02.2005 is modified to the extent that the compensation payable to the appellant is enhanced from ₹3,76,000/- approximately (after deduction of ₹50,000 already paid to Satya @ Neelam as interim compensation) to **₹8,25,316/-**. The enhanced amount shall carry interest at the rate of 7% per annum from the date of filing of the claim petition till realization. Except for the modification of the quantum of compensation, all other findings recorded by the learned Tribunal, including those with regard to negligence, liability and mode of disbursement, shall stand affirmed.

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

(VIRINDER AGGARWAL)
JUDGE

16.04.2026
POONAM

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