IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH

FAO-3970-2011 (O&M)
Date of Decision: 26.02.2026

Smt. Poonam and others ....Appellants

V/s

Satyavir and others ….Respondents

CORAM: HON'BLE MR. JUSTICE VIKRAM AGGARWAL

Present: Mr. Tapan Yadav, Advocate, for
Mr. Sakeel Ahmed, Advocate, for the appellants.

Mr. Vinod Gupta, Advocate, for respondent No.3-Insurance Co.

Mr. Vikrant Rana, Advocate, for respondent No.5.

None for respondent No.6.

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VIKRAM AGGARWAL, J. (ORAL)

The instant appeal has been preferred by the claimants, who are the widow, two minor children and parents of one Deshpal (since deceased), seeking enhancement in compensation awarded to them by the Motor Accident Claims Tribunal, Rewari (for short "the MACT") vide award dated 04.02.2010 passed in a claim petition instituted under Section 166 of the Motor Vehicles Act, 1988 (for short "the MV Act") on account of death of Deshpal, who expired in a motor vehicular accident which took place on 10.01.2007.

2. The case of the claimants was that on 10.01.2007 at about 9:00 A.M., Deshpal (since deceased) was going towards Village Bhiwadi on his motorcycle. He was driving the motorcycle on the correct side of the road at a moderate speed. When he reached near Village Dharuhera, a Bus bearing registration No. RJ-14-P-5575 being driven by its driver (respondent No.1-Satyavir) (hereinafter referred to as the "first offending vehicle") and a Truck bearing registration No. HR-38-J-6281 being driven by its driver

(respondent No.5-Jamshed) (hereinafter referred to as "second offending vehicle") rashly, negligently and at a very high speed, came from the opposite direction and collided with each other as a result of which, Deshpal lost control and fell down on the road. Thereafter, the rear wheel of the bus ran over his body, causing multiple grievous injuries on his vital parts. Owing to the severity of the injuries sustained in the accident, Deshpal succumbed to the same at the spot. It was averred that the accident in question had occurred solely due to the rash and negligent driving of both the offending vehicles.

3. FIR No.9 dated 10.01.2007 under Sections 279/304A IPC was registered at Police Station Dharuhera.

4. It was averred that Deshpal was hale and hearty. It was averred that at the time of accident, Deshpal was 23 years old. It was averred that he was working as a Transport Agent and was also an agriculturist. He was also stated to be running a dairy farm. His monthly income was claimed to be Rs.20,000 per month. However, due to his untimely death caused by the accident, the claimants had suffered irreparable loss of financial support, love, and affection. Accordingly, adequate compensation along with interest from the date of accident till its realization was claimed.

5. The driver and owner of the first offending vehicle filed their joint written statement and denied the factum of the accident.

6. The insurance company of the first offending vehicle raised its usual defences in the written statement and denied the factum of the accident. It was averred that the accident had been caused by respondent No.5, driver of the second offending vehicle.

7. Respondent No.5, driver of the second offending vehicle also filed his written statement and denied the factum of the accident.

8. Respondent No.6, insurance company of the second offending vehicle also raised its usual defences and denied the factum of the accident.

9. In the replication, averments made in the written statements were denied and those made in the claim petition were reiterated.

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

> ***"1. Whether the accident in question took place on 10.1.2007 due to composite rash and negligent driving of the offending vehicles bearing registration No. RJ14P-5575 and HR38J-6281 on the part of respondent no. 1 and 5 resulting into death of Desh Pal? OPP.***
> ***2. If issue no.1 is proved, what amount of compensation, the petitioners are entitled to and from whom? OPP***
> ***3. Whether the respondent No.1 was not holding the valid and effective driving licence on the date of accident? OPR***
> ***4. Relief."***

11. Parties led their respective evidence.

12. After considering the evidence led on the record of the case, a finding was recorded by the MACT that the accident as a result of which Deshpal had expired had taken place on account of the rash and negligent driving of both the drivers of the offending vehicles. The age of Deshpal was assessed as 25 years. His income was assessed as Rs.4,000/- per month and the following compensation was awarded:-

Sr. No.	Heads of Claim	
1.	Age of the deceased	25 years
2.	Income of the deceased	Rs.4,000/- per month
3.	Multiplier of "18"	Rs.4000 x 12 x 18 Rs.8,64,000/-
4.	1/3rd deduction towards personal expenses	Rs.2,88,000/-
5.	Loss of Income	**Rs.5,76,000/-**
6.	Funeral expenses	Rs.5,000/-
7.	Loss of Estate	Rs.5,000/-
8.	Loss of Consortium	Rs.5,000/-
Total Compensation		**Rs.5,91,000/-**

13. I have heard learned counsel for the parties.

14. Learned counsel for the appellants has submitted that the

MACT erred in assessing the income of the deceased (Deshpal) as Rs.4,000/- per month, whereas, it had been claimed that he was a transport agent and a labour contractor. Reference has also been made to the statement of PW-5 (Chandan Singh Yadav), who was the father of the deceased (Deshpal) and had duly stated that Deshpal was working with him and he used to pay him Rs.10,000/- per month. It has been argued that under the circumstances, the income of the deceased (Deshpal) was wrongly assessed by the MACT. Learned counsel has argued that even the minimum wages payable to an unskilled labourer at the relevant time were Rs.4160/- per month. Learned counsel submits that future prospects was not granted in terms of the judgment of the Supreme Court of India in ***National Insurance Company Limited Vs. Pranay Sethi and others, 2017 (4) RCR (Civil) 1009*** and the same needs to be added to the income of the deceased @ 40%, he being below the age of 40 years. It has further been submitted that the amount of compensation awarded towards filial consortium is also inadequate since only Rs.5,000/- was awarded and the same should have been awarded to all the claimants. It has been argued that since the number of dependents were 5, a deduction of 1/4th was required to be made for personal expenses instead of 1/3rd as had been made by the MACT. Under the heads of loss of estate and funeral expenses, it has been submitted that the same should have been awarded in terms of the decision of the Hon'ble Apex Court in **Pranay Sethi's** case (supra) and ***Smt. Sarla Verma and others vs. Delhi Transport Corporation and another*, (2009) 6 SCC 121**.

15. *Per contra*, learned counsel for respondent No.3-insurance company has submitted that there is no illegality in the findings recorded by the MACT. Once there was no proof as regards the work being done by the deceased, the monthly income was rightly assessed as Rs.4,000/- per month

or at best Rs.4160/-, which were the minimum wages payable to an unskilled labourer at the relevant time. However, as regards the compensation awarded on account of filial consortium and loss of estate and for funeral expenses, learned counsel has not been able to deny that the same deserves to be enhanced.

16. I have considered the submissions made by learned counsel for the parties.

17. In so far as the income of the deceased is concerned, there was absolutely no evidence to prove that the deceased (Deshpal) was a transport agent or a labour contractor. The solitary witness in this regard was PW-5, who was none else than the father of the deceased, who also orally stated that he was paying Rs.10,000/- per month to this son. The said statement was rightly discarded by the MACT. Under the circumstances, the income could have been assessed as per the minimum wages, which were Rs.4160/- per month at the relevant time. Since the age of the deceased was 25 years, future prospects @ 40% also deserve to be added to the assessed income of the deceased. It is an admitted fact that there were 5 dependents in the family of the deceased and as such in terms of the judgment of the Hon'ble Apex Court in the case of **Sarla Verma's** case (supra), deduction of $1/4^{th}$ of the assessed income would have to be made on account of personal expenses instead of $1/3^{rd}$ as assessed by the MACT. Since the accident had taken place in the year 2007, 10% increase would not be payable on filial consortium, loss of estate and funeral expenses in terms of the judgment of the Hon'ble Apex Court in the case of ***Hasina Yasmin & others vs. National Insurance Co. Ltd. and another, (SLP(C)-27285-2025, decided on 17.12.2025)***.

18. Accordingly, the compensation assessed by this Court is as under:-

Sr. No.	Heads of Claim	Awarded by the MACT	Enhanced Compensation
1.	Age of the deceased	25 years	25 years (no change)
2.	Income of the deceased	Rs.4,000/- per month	Rs.4160/- per month
3.	Future Prospects @ 40%	Not granted	Rs.1664/- per month. The income, therefore comes to Rs.5824/- per month
3.	Multiplier of "18"	Rs.4000 x 12 x 18 Rs.8,64,000/-	Rs.5824 x 12 x 18 Rs.12,57,984/-
4.	Deduction towards personal expenses	Rs.2,88,000/- @ 1/3rd	Rs.3,14,496/- (@ 1/4th)
5.	Loss of Income	**Rs.5,76,000/-**	**Rs.9,43,488/-**
6.	Funeral expenses	Rs.5,000/-	Rs.15,000/-
7.	Loss of Estate	Rs.5,000/-	Rs.15,000/-
8.	Filial consortium	Rs.5,000/-	Rs.2,00,000/- (Rs.40,000 x 5)
Total Compensation		Rs.5,91,000/-	Rs.11,73,488/-

18. The total compensation, therefore, comes to Rs.11,73,488/-. After deducting a sum of Rs.5,91,000/- as assessed by the MACT, the balance compensation comes to **Rs.5,82,488/-**. This amount would be payable in addition to the amount assessed by the learned MACT along with interest @ 7.5% annually. The disbursal and liability to pay the same would be as per the award.

19. The present appeal is accordingly disposed of.

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

(VIKRAM AGGARWAL)
JUDGE

February 26, 2026

vcgarg Whether speaking/reasoned: Yes/No

Whether reportable: Yes/No