2026:PHHC:066243

IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH

FAO-10427-2014 (O&M)

POOJA DEVI AND OTHERS **….Appellants**

Vs.

MOHD. KASIM KHAN AND OTHERS **….Respondents**

1	*The date when the judgment was reserved*	*24.03.2026*
2	*The date when the judgment is pronounced*	*30.04.2026*
3	*The date when the judgment is uploaded on the website*	*30.04.2026*
4	*Whether only operative part of the judgment is pronounced or whether the full judgment is pronounced*	*Full*
5	*The delay, if any, of the pronouncement of full judgment, and reasons thereof.*	*Not applicable*

CORAM: HON'BLE MR. JUSTICE HARKESH MANUJA

Present: Mr. Piyush Khanna, Advocate
for the appellants.

Mr. Rajesh Malhotra, Advocate
for respondent No. 4.

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HARKESH MANUJA, J.

1. By way of present appeal, challenge has been laid to an award dated 04.09.2014 passed by the learned Motor Accident Claims Tribunal, Panipat (for brevity, "the Tribunal"), whereby an amount of Rs. 6,82,600/-

was awarded as compensation to the appellants/claimants along with interest @ 7.5% per annum from the date of filing of claim petition till its realization on account of death of Sohan Lal in a motor vehicular accident, occurred on 29.11.2012.

2. As sole issue for determination in the present appeal is confined to quantum of compensation awarded by the Tribunal, a detailed narration of facts of the case is not being reproduced herein for the sake of brevity.

ARGUMENTS ON BEHALF OF LEARNED COUNSEL FOR THE APPELLANTS/CLAIMANTS.

3. Learned counsel for the appellants contended that the impugned award passed by the learned Tribunal was contrary to the settled principles governing assessment of compensation and was liable to be enhanced. It was argued that the Tribunal gravely erred in assessing the income of deceased at a meager rate on the basis of daily wages, ignoring cogent evidence on record establishing that the deceased was employed as a driver with Sumit Sharma at the Truck Union, Panipat besides running a milk dairy and earning substantially higher income, as specifically pleaded and proved. He further submitted that the Tribunal further failed to apply settled principles of law governing computation of compensation, particularly with respect to addition towards future prospects, application of appropriate multiplier, and grant of just compensation under conventional heads such as loss of consortium, loss of estate and funeral expenses. Lastly, it was urged that the rate of interest awarded was equally unjust and contrary to settled judicial precedents, therefore, he prayed that the award of the Tribunal be suitably modified in accordance with law.

ARGUMENTS ON BEHALF OF LEARNED COUNSEL FOR RESPONDENT No. 4/INSURANCE COMPANY.

4. Per contra, learned counsel representing the respondent No. 4/Insurance Company, neither refuted the factum of accident nor even the negligence of the offending vehicle, however submitted that in the facts and circumstances of the present case, the compensation assessed by the learned Tribunal called for no interference.

DISCUSSION AND REASONING

5. I have heard learned counsel for the parties and perused the paper-book of the case. I find substance in the arguments advanced by the learned counsel for the appellants/claimants.

QUESTION OF INCOME ASSESSED

6. The primary controversy revolves around the determination of the income of the deceased at the time of the accident. The learned Tribunal assessed the income of the deceased on the basis of daily wages, which, in the considered opinion of this Court, does not appear to be in consonance with the evidence available on record and the settled principles governing such assessment. It has been specifically pleaded and asserted that the deceased was employed as a driver with Sumit Sharma at Truck Union, Panipat, and was also engaged in running a milk dairy, thereby earning a composite and substantially higher income. However, it is equally true that no cogent documentary evidence such as salary certificate, account books, income tax returns, or any independent corroboration was brought on record to conclusively establish the exact quantum of such income.

6.1 In such circumstances, where the avocation of the deceased stands established but strict proof of income is lacking, the Courts are required to adopt a pragmatic approach and assess the income on the basis of minimum wages applicable to a skilled worker, particularly when the occupation of the deceased (driver) is, by its very nature, a skilled vocation. Accordingly, keeping in view the nature of work performed by the deceased as a driver, coupled with the fact that he was also stated to be engaged in dairy activities, this Court deems it appropriate to treat the deceased as a skilled worker and assess his monthly income on the basis of minimum wages applicable to a skilled worker in the State of Haryana at the relevant time (i.e., the year 2012). Reliance in this regard can be placed on ***"Chandra @ Chanda @ Chandraram vs. Mukesh Kumar Yadav & Ors."***, reported as ***(2022) 1 SCC 198,*** wherein the Hon'ble Supreme Court held that in absence of proof of income, the minimum wage notification can be a yardstick but at the same time cannot be absolute one to fix the income of the deceased and some guesswork is required to be done to assess the income. Relevant excerpt thereof is reproduced hereunder:-

> *"…….In the absence of salary certificate the minimum wage notification can be a yardstick but at the same time cannot be an absolute one to fix the income of the deceased. In the absence of documentary evidence on record some amount of guesswork is required to be done. But at the same time the guesswork for assessing the income of deceased should not be totally detached from reality. Merely because claimants were unable to produce documentary evidence to show the monthly income of Shivpal, same does not justify adoption of lowest tier of minimum wage while computing the income. There is no reason to discard the oral evidence of the wife of the deceased who has deposed that late Shivpal was earning around Rs. 15,000/- per month……"*

6.2 As per the notified minimum wages prevalent at the relevant time, the monthly income of a skilled worker can safely be assessed at ₹5,500/- per month (approximate), which would form a reasonable and just basis for computation of compensation in the absence of direct documentary proof. The approach adopted by the learned Tribunal in taking a lower notional income on the basis of unskilled wages, therefore, warrants interference and is liable to be modified to the aforesaid extent. Consequently, the monthly income of the deceased is reassessed at ₹5,500/- per month for the purposes of computation of compensation.

QUESTION OF FUTURE PROSPECTS, MULTIPLIER AND DEDUCTION TOWARDS PERSONAL EXPENSES.

7. As per the averments made in the claim petition and the testimony of claimants, the age of the deceased at the time of his death was stated to be 24 years, however, no documentary evidence has been produced on record to substantiate his age. Therefore, in the absence of any other cogent and reliable documentary evidence on record, this Court deems it appropriate to rely upon the testimony and accordingly assesses the age of the deceased as 24 years. Thus, placing reliance upon the law laid down in the case ***"Smt. Sarla Verma and others vs. Delhi Transport Corporation and another"***, reported as ***2009 (3) RCR (Civil) 77***, and ***"National Insurance Co. Ltd. vs. Pranay Sethi and others***" reported as ***(2017) 16 SCC 680,*** 40% of the income needs to be granted towards future prospects. Accordingly, multiplier of 18 is applied. Further, as the dependents of the deceased comprise the widow, three children and his father; five in all, the appropriate deduction towards the personal and living expenses of the deceased therefore ought to be assessed at one-fourth.

QUESTION OF COMPENSATION UNDER CONVENTIONAL HEADS

8. Furthermore, in view of the judgment of the Hon'ble Apex Court in ***Smt. Sarla Verma's case (supra)***, ***Pranay Sethi's case (supra)*** and ***"United India Insurance Co.Ltd. vs. Satinder Kaur",*** reported as ***(2021) 11 SCC 780,*** compensation awarded under conventional heads is also required to be assessed accordingly. Appellants/claimants are thus, held entitled for Rs. 18,000/- as compensation under funeral head and Rs. 18,000/- towards loss of estate. Loss of Consortium is assessed to the tune of Rs. 2,40,000/- (48,000 x 5) as appellants/claimants being the widow, 3 children and the father are entitled to spousal, parental and filial consortium.

CONCLUSION

9. In view of the discussion made herein above, the appellants/claimants are held entitled for the grant of compensation in the following manner:-

S.No.	**Nature**	**Amount (in Rs.)**
1.	Annual Income of deceased	66,000/-
2.	Add 40% future prospects	26,400/-
3.	Total Income (Rs. 66,000 + Rs. 26,400)	92,400/-
4.	Deduction (1/4th)	23,100/-
5.	Net Income (Rs. 92,400 – Rs. 23,100)	69,300/-
6.	**Loss of Income after applying multiplier of 18 as per the age of 24 years (Rs. 69,300 x 18)**	**12,47,400/-**
7.	**Loss of Consortium**	**2,40,000/-**
8.	**Funeral expenses**	**18,000/-**
9.	**Loss of estate**	**18,000/-**
	Total compensation	**15,23,400/-**
	Amount Awarded by the Tribunal	**6,82,600/-**
	Enhanced Amount	**8,40,800/-**

Accordingly, appellants/claimants shall be entitled to receive above enhanced compensation in the proportion already determined by the learned Tribunal.

10. The grant of interest @ 7.5% per annum is not equitable and just in view of the observations made by the Hon'ble Supreme Court in ***"Smt. Supe Dei and others vs. National Insurance Company Limited and other,*** reported as ***(2009) (4) SCC 513*** approved in a subsequent judgment titled as ***"Puttamma and others vs. K.L. Narayana Reddy and another, 2014 (1) RCR (Civil) 443,*** thus, the interest is enhanced to 9% per annum on the amount of compensation re-assessed from the date of institution of claim petition till its realization. In case the said amount is not paid within three months, the same shall be payable thereafter along with 12% interest from the expiry of period of three months from today. Needless to mention here that the amount of compensation already paid to the claimant shall be deducted from the enhanced compensation.

11. In view of the foregoing discussion, the present appeal preferred at the instance of appellants/claimants stand allowed.

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

April 30, 2026 **(HARKESH MANUJA)**
sonika **JUDGE**

Whether speaking/reasoned: Yes/No

Whether reportable: Yes/ No