

FAO No.2750 of 2018 (O&M) with
XOBJC No.110 of 2025

.....Appellant(s)
....Respondent(s)

1	The date when the judgment was reserved	20.03.2026
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

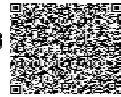
Present: Mr. R.C. Gupta, Advocate for
Mr. Ram Avtar, Advocate for the appellant/Insurance Company.

Mr. Gaurav Jindal, Advocate
for respondent Nos.1 to 4/cross-objectors.

Mr. Munish Kumar Garg, Advocate for
Mr. Tanuj Goyal, Advocate for respondents No.6 & 7.

HARKESH MANUJA, J.

1. By way of present appeal, filed at the instance of Insurance Company, prayer has been made for setting aside of the decision dated 27.02.2018 passed by the learned Motor Accident Claims Tribunal, Rohtak (for brevity, “the Tribunal”), whereby, compensation to the tune of ₹19,93,000/- along with interest @ 7.5% per annum from the date of filing of the claim petition till realization was awarded in favour of respondents No. 1 to 4/claimants; whereas in this appeal, cross objections under Order 41 Rule 22 read with Section 151 CPC have also been filed at the instance of respondents No.1 to 4/cross-objectors seeking enhancement/modification of the award passed by the Tribunal.



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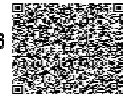
2. Briefly stating, the case set up by the claimants was that on 06.12.2016, Subhash (since deceased), while riding his motorcycle, met with an accident near village Madda due to rash and negligent driving of a truck trailer bearing registration No. HR-56-6677 by respondent No.6. He sustained grievous injuries and ultimately succumbed to the same on 28.12.2016.

3. The learned Tribunal, on appreciation of the evidence led by the parties, held that the accident occurred due to rash and negligent driving of the offending vehicle and awarded compensation as noticed above.

4. Being aggrieved, the present appeal was preferred by the appellant/Insurance Company, for setting aside/modification of the award passed by the learned Tribunal, primarily on the grounds that the findings recorded with respect to the negligence as well as the quantum of compensation awarded were contrary to the evidence available on record and settled principles of law. Conversely, the respondents No. 1 to 4/claimants, by way of cross-objections, prayed for enhancement of the compensation, asserting that the amount awarded by the learned Tribunal was inadequate and did not represent just and fair compensation in the facts and circumstances of the case.

**ARGUMENTS ON BEHALF OF LEARNED COUNSEL FOR THE
APPELLANT/INSURANCE COMPANY.**

5. Learned counsel for the appellant–Insurance Company primarily contended that the finding recorded by the learned Tribunal with regard to negligence was erroneous and unsustainable in the eyes of law, inasmuch as no eye-witness to the occurrence was examined by the claimants. It was further argued that the income of the deceased was wrongly assessed at ₹10,200/- per month, whereas, in the absence of cogent documentary evidence, the same ought to



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have been taken as per the applicable minimum wages, i.e. ₹8,070.44/- per month.

He further contended that the addition of 25% towards future prospects was wholly unjustified, particularly when there was no reliable proof regarding the income or nature of employment of the deceased. On the strength of these submissions, learned counsel argued that the compensation awarded by the learned Tribunal was excessive and liable to be reduced.

**ARGUMENTS ON BEHALF OF LEARNED COUNSEL FOR RESPONDENTS
No. 1 TO 4/CLAIMANTS.**

6. Per contra, learned counsel appearing on behalf of the respondents No. 1 to 4/claimants supported the impugned award passed by the learned Tribunal and, by way of cross-objections, submitted that the same warrants enhancement. It was contended that the income of the deceased ought to have been assessed on the basis of wages applicable to a skilled worker, rather than on a lower footing. He further argued that consortium should have been awarded to all the dependents of the deceased in accordance with settled principles of law. Additionally, learned counsel submitted that the amounts granted under the conventional heads were on the lower side and deserves to be suitably enhanced. Lastly, it was contended that the rate of interest awarded by the learned Tribunal was inadequate and called for enhancement.

DISCUSSION AND REASONING

7. I have heard learned counsel for the parties and perused the paper-book of the case.

QUESTION OF NEGLIGENCE

8. The argument raised by learned counsel for the appellant–Insurance Company that negligence on the part of the offending vehicle has not been proved



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for want of an eye-witness does not merit acceptance. It is well settled that proceedings under Section 166 of the Motor Vehicles Act are to be adjudicated on the touchstone of preponderance of probabilities and not on the strict standard of proof as required in criminal trials. In the present case, the First Information Report was lodged on the basis of the statement made by the deceased himself, and the version with regard to the manner of occurrence has remained consistent throughout. It is further borne out from the record that the respondent-driver is facing criminal trial arising out of the same occurrence. The post-mortem report also duly corroborates the injuries sustained by the deceased in the accident. Significantly, no material contradiction or cogent reason has been brought on record by the appellant to discredit or disbelieve the version put forth by the claimants. Merely because no eye-witness has been examined, the otherwise cogent and reliable evidence led on record cannot be discarded especially when the FIR detailing the version of accident was recorded by the deceased only. The learned Tribunal has rightly placed reliance upon the documentary evidence as well as the surrounding circumstances while returning a finding on negligence. Accordingly, the said finding calls for no interference.

QUESTION OF INCOME ASSESSED

9. The learned Tribunal assessed the income of the deceased at ₹10,200/- per month on the basis of minimum wages prevalent at the relevant time. The contention raised on behalf of the Insurance Company that the income ought to have been taken as ₹8,070.44/- is misconceived and does not merit acceptance, inasmuch as the Tribunal has relied upon the applicable minimum wage rates notified for the concerned district during the relevant period, which cannot be said



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to be arbitrary or excessive. It is well settled that in the absence of cogent documentary evidence regarding income, recourse to minimum wages/DC rates is a reasonable and judicially accepted method for determination of income. Reference in this regard may be made to the judgment of the Hon'ble Supreme Court in "Saroj and others vs. Iffco-tokio General Insurance Co. & Ors." reported as 2024 INSC 816, wherein it was held that an appellate court should not substitute its own assessment for that of the Tribunal unless the impugned award suffers from perversity, illegality, or a manifest error. Relevant excerpt thereof is reproduced hereunder:-

"9.3 The question before the High Court was not as to which yardstick to use to determine the notional income of the deceased was 'better'. Since there is nothing on record to establish that the rates notified by the District Commissioner, Rohtak, would not apply to the deceased, we find no reason to interfere with the finding of the Tribunal."

9.1 Furthermore, this Hon'ble Court in FAO-5004 of 2024 (O&M) titled as "United India Insurance Company Limited vs. Prameshawari and ors." has held that in cases involving motor accident claims, where the income of the deceased is to be determined in the absence of cogent evidence, the DC rates applicable in the region where the deceased resided and worked are a more realistic benchmark for assessing income compared to the Minimum Wages Act.

9.2 At the same time, the contention raised in the cross-objections that the deceased, being a truck driver, ought to have been categorized as a skilled worker does carry some merit, inasmuch as driving is inherently a skilled vocation. However, in the absence of cogent documentary evidence such as a valid driving licence or proof of gainful employment the determination of income cannot rest



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merely on conjecture or probabilities so as to warrant deviation from the methodology adopted by the Tribunal.

The Tribunal, therefore, adopted a prudent and balanced approach by assessing the income of the deceased on the basis of wages prescribed for an unskilled worker, in accordance with the DC rates prevailing in the region where the deceased was residing and employed. This Court does not find any justifiable ground to interfere with or enhance the income so assessed, the same being reasonable, fair, and consistent with the settled principles governing determination of income in motor accident claim cases.

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

10. The addition of 25% towards future prospects is strictly in consonance with the settled principles of law applicable to self-employed persons in the age group of 40–50 years. The contention raised on behalf of the appellant that future prospects cannot be granted in the absence of proof of income is contrary to the settled position of law and is, accordingly, rejected.

Further, the deduction of 1/4th towards personal and living expenses, considering that the deceased left behind four dependents, is just and proper. Likewise, the application of multiplier '15' for the age of 40 years is fully in accord with the settled legal principles. No interference, therefore, is warranted on these aspects.

QUESTION OF COMPENSATION UNDER CONVENTIONAL HEADS

11. 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,



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compensation awarded under conventional heads is also required to be re-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. 1,92,000/- (48,000 x 4) as appellants/claimants being widow, mother children are entitled to spousal, filial and parental consortium.

COMPENSATION TOWARDS MEDICAL EXPENSES

12. Considering the period for which the deceased remained admitted in hospital and continued to undergo treatment at home thereafter, as well as the transportation expenses incurred during treatment and shifting, this Court deems it appropriate to award a sum of ₹2,02,000/- towards medical expenses. The said amount, having been assessed on the basis of duly proved medical bills, is just and reasonable and calls for no interference.

S.No.	Nature	Amount (in Rs.)
1.	Annual Income of Deceased	1,22,400/-
2.	Deduction (1/4 th)	30,600/-
3.	Net Income (Rs. 1,22,400 – Rs. 30,600)	91,800/-
4.	Future Prospects (25%)	22,950/-
5.	Total Income (Rs. 91,800 + Rs. 22,950)	1,14,750/-
6.	Loss of Income after applying multiplier of 15 as per the age of 40 years (1,14,750x 15)	17,21,250/-
7.	Loss of estate	18,000/-
8.	Funeral Expenses	18,000/-
9.	Loss of Consortium (48,000 x 4)	1,92,000/-
10.	Medical expenses	2,02,000/-
11.	Total compensation	21,51,250/-
12.	Amount Awarded by the Tribunal	19,93,000/-
13.	Enhanced Compensation	1,58,250/-



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

13. 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.

14. In view of the foregoing discussion, the appeal preferred by the Insurance Company stands dismissed, whereas the cross-objections filed on behalf of the claimants are allowed. Pending miscellaneous application(s), if any, shall also stand disposed of.

April 30, 2026
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(HARKESH MANUJA)
JUDGE

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