2026:PHHC:060341

IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH

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FAO-3086-2002 (O&M)
Date of decision: 21.04.2026

Sita and another . . . . Appellant

Vs.

Baljinder Singh and others . . . . Respondents

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CORAM: HON'BLE MR JUSTICE DEEPAK GUPTA

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Present: - Mr. S.K. Sandhir, Advocate, for the appellants.
Mr. Aman Sharma, Advocate, for respondent No.2.
None for respondent No.3.

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DEEPAK GUPTA, J.

The present appeal has been preferred by the claimants seeking modification of the award dated 28.07.2001 passed by the learned Motor Accident Claims Tribunal, Ludhiana, limited to the quantum of compensation awarded.

2. At the outset, it is not in dispute between the parties that a motor vehicular accident occurred on 04.12.1998, resulting in the untimely demise of Mukesh Kumar, aged about 24 years. The deceased was employed as a worker with Adinath Textiles Limited. The accident was found to have been caused due to rash and negligent driving of a Punjab Roadways bus bearing registration No. PB-11L-7904. It is also an admitted position that the offending vehicle was uninsured. The claim petition under Section 166 of the Motor Vehicles Act, 1988 was filed by the widow and minor son of the deceased, and the learned Tribunal awarded a sum of ₹2,52,000/- along with interest, fastening liability upon the driver and owner of the offending vehicle.

3. The grievance of the appellants is confined to the inadequacy of the compensation so awarded. Learned counsel for the appellants has contended that the learned Tribunal failed to apply the correct multiplier having regard to the age of the deceased and further erred in not granting any

addition towards future prospects. It is also urged that the amounts awarded under conventional heads are on the lower side. However, the income of the deceased assessed at ₹1,800/- per month has not been disputed.

4. Learned counsel appearing for the respondent-owner has not been able to controvert the submission that the compensation requires re-determination in light of the principles laid down by the Hon'ble Supreme Court in ***Smt. Sarla Verma and others v. Delhi Transport Corporation and another, 2009 (6) SCC 121, National Insurance Company Limited v. Pranay Sethi and others, 2017 AIR SC 5157,*** **Magma General Insurance Co. Ltd. v. Nanu Ram @ Chuhru Ram and others*, AIRONLINE 2018 SC 1249.***

5. Having considered the rival submissions and the settled legal position, this Court finds merit in the appeal to the extent of re-computation of compensation.

6. Since the age of the deceased at the time of accident was 24 years, the appropriate multiplier, in terms of the ratio laid down in ***Sarla Verma (supra)***, would be 18 and not 15 as applied by the Tribunal. Further, in view of ***Pranay Sethi (supra),*** an addition of 40% towards future prospects is warranted as the deceased was below 40 years of age and was in a fixed income category.

7. Accordingly, the compensation is re-assessed as under:

- Monthly income: ₹1,800/-
- Annual income: ₹21,600/-
- Addition of 40% towards future prospects: ₹8,640/-
- Total annual income: ₹30,240/-

8. Since the number of dependents is two, deduction of 1/3rd towards personal and living expenses is justified in terms of ***Sarla Verma (supra).*** Thus, the annual loss of dependency comes to ₹20,160/-.

9. Applying the multiplier of 18, the total loss of dependency is assessed at ₹3,62,880/-.

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10. As regards compensation under conventional heads, although reliance has been placed on ***Magma General Insurance (supra),*** it is to be borne in mind that the accident in question occurred in the year 1998. Therefore, the conventional figures presently standardized cannot be mechanically applied retrospectively at their enhanced scale. A balanced approach is required.

11. Accordingly, compensation is awarded as follows:

- Loss of spousal and parental consortium: ₹20,000/- each to the two claimants (total ₹40,000/-)
- Loss of estate: ₹10,000/-
- Funeral expenses: ₹10,000/-
- Thus, the total compensation is computed at ₹4,22,880/-.

12. After deducting the amount of ₹2,52,000/- already awarded by the Tribunal, the enhanced compensation comes to ₹1,70,880/-, which is rounded off to ₹1,71,000/-.

13. Consequently, the appeal is partly allowed. The appellants-claimants are held entitled to an enhanced compensation of ₹1,71,000/-, which shall be payable by respondent No.2, i.e. the owner of the offending vehicle, along with interest @ 7.5% per annum from the date of filing of the claim petition till realization. The enhanced amount, along with accrued interest, shall be apportioned equally between the claimants.

14. The appeal stands disposed of in the above terms.

(DEEPAK GUPTA)
JUDGE

21.04.2026
Vivek

Whether Speaking/reasoned *Yes*
Whether reportable *No*