IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH

(108) **FAO No. 5516 of 2022(O&M)**
Reserved on : 14.11.2025
Pronounced on: 17.11.2025

MUNNI DEVI **… APPELLANT**

VERSUS

PARDEEP AND OTHERS **… RESPONDENTS**

CORAM: HON'BLE MR. JUSTICE VIRINDER AGGARWAL

Present: Mr. Narender Kaajla, Advocate
for the appellant.

Mr. R.C.Kapoor, Advocate
for Mr. Rahul Pathania, Advocate
for the Respondent No.3.

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VIRINDER AGGARWAL, J.

CM-18232-CII-2022

1. This application has been filed for condonation of 130 days' delay in filing the present appeal. For the reasons stated in the application, which are found to be sufficient, the same is allowed. The delay of 130 days stands condoned.

FAO-5516-2022

1. This appeal has been filed under Section 173 of the Motor Vehicles Act, 1988, seeking enhancement of the compensation awarded by the learned Motor Accident Claims Tribunal, Hisar, vide Award dated 28.02.2022, whereby

compensation was assessed on account of the death of Sonu in a motor vehicle accident dated 21.02.2018.

BACKGROUND FACTS

2. The brief facts necessary for adjudication are that on 21.02.2018, Sonu, aged about 21 years, was travelling as a pillion rider on a motorcycle bearing No. HR-20S-7131, driven by Randhir. When they were proceeding from Kanwari towards Hisar and had reached near the brick-kiln, a dumper bearing registration No. HR-46D-4999, driven by respondent No. 1 Baljit Singh, came from the Hisar side at a high speed, in a rash and negligent manner, and violently struck their motorcycle. Due to the impact, Sonu fell on the road and sustained multiple grievous injuries, particularly head injuries. He was immediately taken to the Government Hospital, Hisar, and thereafter referred to Agroha Medical College, but despite medical care he succumbed on 22.02.2018. FIR No. 67 dated 21.02.2018 was registered under Sections 279, 337, and 304-A IPC at Police Station, Sadar Hisar. The post-mortem report also confirmed that the cause of death was shock and haemorrhage resulting from the injuries sustained in the accident. The appellant–mother filed the claim petition seeking compensation of ₹2,00,00,000/-.

3. The learned Tribunal, after examining the testimony of Randhir (PW2), FIR, site plan, mechanical reports, and charge-sheet submitted under Section 173 Cr.P.C., held that the accident occurred solely due to the rash and negligent driving of respondent No. 1. Negligence was held proved as the dumper had come onto the wrong side and struck the motorcycle with force. However, while computing compensation, the learned Tribunal disregarded the appointment letter (Ex. P14) and supporting documents related to the deceased’s recruitment

in the Department of Posts. The learned Tribunal observed that as the deceased had not yet physically joined the post, the joining letter could not be relied upon. It, therefore, assessed the income notionally at ₹10,000/- per month treating him as privately employed. After applying multiplier of 18 and deducting personal expenses, the learned Tribunal awarded total compensation of ₹15,93,700/- with interest at rate of 6% per annum.

CONTENTIONS

4. Learned counsel for the appellant submits that the impugned award suffers from serious infirmity in the computation of income. It is argued that the deceased had been duly selected for appointment as Postman/Mail Guard in the Department of Posts, as proved through the appointment letter (Ex. P14), the selection list, and other corroborating documents. The deceased had already commenced training pursuant to the said appointment, demonstrating that he had secured a permanent Government job carrying a fixed monthly salary of ₹28,145/-. It is contended that the learned Tribunal erred in discarding these documents without justification and in assessing the income at ₹10,000/- per month. It is urged that the multiplier, future prospects, and conventional heads ought to have been applied strictly in accordance with ***Sarla Verma v. DTC, (2009) 6 SCC 121 and National Insurance Co. Ltd. v. Pranay Sethi,*** **(2017) 16 SCC 680**, and thus the award deserves substantial enhancement.

5. Learned counsel for respondent No. 3 supports the award and submits that the alleged income is wholly speculative. It is argued that the deceased had not actually joined service, nor was there proof of completed formalities, and therefore the alleged salary cannot be taken as the basis of compensation as there are many a slip between cup and lips. It is further contended that mere

issuance of an appointment letter does not amount to employment unless the candidate joins duty. Hence, the income taken by the Tribunal was reasonable, and no interference is warranted.

OBSERVATION AND FINDINGS

6. I have heard learned counsel for the parties and perused the record. The finding of negligence recorded by the learned Tribunal is well-supported by the evidence on record including the eyewitness account(PW-2), FIR(Ex.P-10) and charge-sheet (Ex.P-9). No contrary evidence has been produced by the respondents. This Court finds no reason to draw any different inference. Accordingly, the finding of negligence does not warrant any interference in appeal.

7. However, the compensation awarded by the learned Tribunal is not in consonance with the settled parameters of law. Firstly, the learned Tribunal erred in discarding documentary evidence which clearly established that the deceased had been selected for a Government post. The learned Tribunal assessed the monthly income of the deceased as ₹10,000/- solely on the basis of alleged private employment, while ignoring the unimpeached documentary evidence showing that the deceased had secured a permanent Government job. This approach is legally unsustainable. The appellant produced the appointment letter dated 03.05.2021 (Ex. P14), the shortlisted list (Ex. P5) and other corroborating documents (Ex.P-12, Ex. P13, Ex. P15), all of which demonstrate that the deceased had already been selected for the post of Postman/Mail Guard in the Department of Posts by examination held on 29.05.2016. These documents clearly show that the selection process was complete, the deceased's

candidature had been accepted, and he had been directed to report for training, which is a mandatory pre-joining formality in Government service.

8. It is a matter of natural and reasonable inference that once an appointment letter is issued by a Government Department and the candidate has commenced the process of training/reporting, the future employment and earnings are not "speculative" or "contingent". It becomes a *reasonable and prospective certainty.* The issuance of an appointment letter after the entire selection process carries with it a presumption of certainty of employment, subject only to completing formal joining. Further, when a candidate has successfully obtained an appointment letter in a regular/permanent Government post, the income corresponding to that post cannot be termed hypothetical or uncertain. Therefore, the *prospective income* must be treated as income for computing loss of dependency. The fact that the deceased could not physically join due to a sudden accident does not dilute the certainty of appointment, and this cannot be used to deprive the dependants of their rightful compensation.

9. In the present case, the appointment letter (Ex. P14) specifically mentions that the deceased was appointed to a post carrying the salary of *Pay Matrix Level-3* under the Seventh Central Pay Commission (7th CPC), with revisions applicable from time to time. As per the 7th CPC Pay Matrix, Pay Level–3 carries an initial basic pay of **₹21,700/- per month**, to which statutory allowances such as House Rent Allowance (HRA) and Transport Allowance (TA) are mandatorily added. Even at the lowest applicable rate of HRA @ 8% and the prescribed TA of ₹3,600/-, the monthly salary of an employee at Pay Level-3 comes to **approximately ₹27,000/- per month**. Thus, the salary structure attached to the post was definite, notified, and fully ascertainable from the record. In such circumstances, the income of the deceased cannot be

assessed on a notional or conjectural basis when the pay scale and allowances applicable to the post are clearly specified in the appointment letter itself. The unfortunate death in the sudden accident alone prevented the deceased from joining and earning a stable salary in the Government service, and the resultant loss of such assured future earnings to the dependants cannot be ignored. The learned Tribunal erred in treating this cogent and unimpeached evidence as unproved and in adopting an income of the deceased's previous private job (₹10,000/- per month), which is contrary to the material on record. This Court, therefore, has no hesitation in holding that the income of the deceased must be assessed on the basis of the Government appointment secured by him and not on an ad-hoc or conjectured income. Accordingly, the monthly income of the deceased is reassessed at **₹27,000/-**.

10. Moreover, the Motor Vehicles Act is a beneficial and welfare-oriented legislation intended to provide *just, fair, and reasonable* compensation. The Courts are obligated to adopt a pragmatic approach so that compensation reflects the real loss of income and future earning capacity, rather than hypothetical or minimal figures. The principle that "compensation must be realistic and not symbolic" reinforces that documentary evidence such as an appointment letter must be given full evidentiary weight. In this context, the reassessment of income on the basis of the deceased's Government appointment is consistent with the object and purpose of the Act.

11. Further, once the deceased is held to have secured a *permanent salaried Government post*, he squarely falls within the category of *permanent Government employee* for the purpose of granting future prospects. As per ***Pranay Sethi(Supra)***, future prospects for a permanent Government employee

below 40 years of age is **50%**. Since the deceased was 21 years old, the appellant is rightly entitled to future prospects at the enhanced rate of **50%**, not 40% as applied by the learned Tribunal. Therefore, applying the multiplier method under ***Sarla Verma(Supra)*** and adding future prospects of 50% and thereafter deducting 50% towards personal expenses (being a bachelor). In addition, the appellant is entitled to compensation under the conventional heads as per ***Pranay Sethi(Supra)*** and subsequent enhancements. Thus, the compensation is recalculated as under:

REASSESSMENT AND COMPARATIVE COMPUTATION

Particulars	**Award by Tribunal**	**Reassessed Compensation**
Monthly Income	₹10,000/-	₹27,000/-
Annual Income	₹1,20,000/-	₹3,24,000/-
Future Prospects	₹48,000 (40%)	₹1,62,000/- (50%)
Total annual Income	₹1,68,000/- (₹1,20,000+₹48,000)	₹4,86,000/- (₹3,24,000 + ₹1,62,000)
50% deduction (bachelor)	₹84,000/-	₹2,43,000/-
Multiplier (21 age)	18	18
Loss of dependency	₹15,12,000/- (₹84,000 x 18)	**₹43,74,000/-** (₹2,43,000 × 18)
Parental consortium	₹44,000/-	**₹44,000/-**
Funeral expenses	₹16,500/-	**₹16,500/-**
Loss of estate	₹16,500/-	**₹16,500/-**
Treatment	₹4700/-	₹4700/-
Total compensation	15,93,700/-	**₹44,55,700/-**

11. In view of the above discussion and reassessment, the total compensation payable to the claimant stands enhanced from ₹15,93,700/- to **₹44,55,700/-**, which shall carry interest at rate of **7% per annum** from the date of filing of the claim petition till its realization. The finding of negligence and the liability of respondent No.1 as driver, respondent No.2 as owner, and respondent No.3 (Insurance Company) as recorded by the learned Tribunal, are affirmed. Respondent No.3, being the insurer, shall be liable to pay the award.

12. Accordingly, the present appeal is **allowed.** Since the main appeal stands decided, any pending application(s), if any, also stand disposed of.

17.10.2025 **(VIRINDER AGGARWAL)**
Saurav Pathania **JUDGE**

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