



265

**IN THE HIGH COURT OF PUNJAB AND HARYANA AT  
CHANDIGARH**

**FAO-2755-2019 (O&M)  
XOBJC-144-2019 (O&M)  
Date of Decision : 20.03.2025**

National Insurance Company Ltd ... Appellant(s)

Versus

Madhu & Ors ... Respondent(s)

**CORAM : HON'BLE MRS. JUSTICE ALKA SARIN**

Present : Mr. S.S. Sidhu, Advocate for the appellant.

Mr. Nitish Garg, Advocate  
for respondent Nos.1 to 3/cross-objectors.

**ALKA SARIN, J. (Oral)**

1. The present order shall dispose off the appeal (**FAO-2755-2019**) filed by the appellant-Insurance Company and the cross-objections (**XOBJC-144-CII-2019**) filed by the claimant-respondent Nos.1 to 3 aggrieved by the quantum of compensation awarded by the Motor Accident Claims Tribunal, Bathinda (hereinafter referred to as 'Tribunal') in a motor vehicle accident which occurred on 11.06.2017. The parties are being referred to as Insurance Company and claimants for the sake of clarity.

2. Since the factum of the accident is not in dispute, the facts are not being adverted to for the sake of brevity.

3. The Tribunal in the present case had awarded the following compensation :

Sr. No.	Heads	Compensation Awarded
1	Monthly income	₹11,565/-
2	Annual Income	[₹11,565 x 12] =₹1,38,780/- Rounded up to ₹1,39,000/-

3	Deduction 1/4 <sup>th</sup>	[₹1,39,000 – 34,750] = ₹1,04,250/-
4	Future prospects 40%	[₹1,04,250 + 41,700] = ₹1,45,950/-
5	Multiplier ‘16’	[₹1,45,950 x 16] = ₹23,35,200/-
6	Loss of estate	₹15,000/-
7	Funeral expenses	₹15,000/-
8	Loss of consortium	₹1,20,000/- [₹40,000 x 3]
	<b>Total Compensation</b>	<b>₹24,95,200/-</b>
	<b>Interest</b>	<b>7.5% per annum</b>

4. Learned counsel for the Insurance Company has vehemently argued that the amount of compensation awarded by the Tribunal is highly excessive.

5. Learned counsel for the claimants has contended that though the income of the deceased, deduction, future prospects as well as multiplier have rightly been applied by the Tribunal, however, the amount awarded under the conventional heads and under the head ‘loss of consortium’ is not as per the law laid down by the Hon’ble Supreme Court in the cases of **National Insurance Company Ltd. vs. Pranay Sethi & Ors. [(2017) 16 SCC 680]**, **Magma General Insurance Company Limited vs. Nanu Ram alias Chuhru Ram & Ors. [(2018) 18 SCC 130]** and **N. Jayasree & Ors. vs. Cholamandalam M.S General Insurance Company Ltd. [2021(4) RCR (Civil) 642]**.

6. I have heard the learned counsel for the parties.

7. In the present case, since the income of the deceased, deduction, future prospects as well as multiplier have rightly been applied by the Tribunal, hence, the same are maintained. However, the amount awarded by the Tribunal under the conventional heads and under the head ‘loss of consortium’ is not as per the law laid down by the Hon’ble Supreme Court in

the cases of **Pranay Sethi** (supra), **Magma General Insurance Company Limited** (supra) and **N. Jayasree** (supra) and hence the claimants would be entitled to ₹18,000/- (₹15,000+20% increase) towards loss of estate and ₹18,000/- (₹15,000+20% increase) towards funeral expenses and the claimants (wife and two children of the deceased) would also be entitled to ₹48,000/- each (₹40,000+20% increase) towards loss of consortium. Accordingly, the reworked compensation is as under :

Sr.No.	Heads	Compensation Awarded
1	Monthly Income	₹11,565/-
2	Annual Income	₹1,38,780/- [₹11,565 x 12]
3	Deduction 1/4 <sup>th</sup>	₹1,04,085/- [₹1,38,780 – 34,695]
4	Future Prospects - 40%	₹1,45,719/- [₹1,04,085 + 41,634]
5	Multiplier - 16	₹23,31,504/- [₹1,45,719 x 16]
6	Loss of estate	₹18,000/-
7	Funeral expenses	₹18,000/-
8	Loss of consortium (i) Parental [₹48,000/- x 2] (ii) Spousal's	₹96,000/- ₹48,000/- (Total ₹1,44,000/-)
	Total Compensation	<b>₹25,11,504/-</b>

8. The amount in excess of and over and above the amount awarded by the Tribunal shall also attract interest @ 7.5% per annum from the date of filing of the claim petition till the realization of the entire amount.

9. In view of the decision by the Hon'ble Supreme Court in **Parminder Singh vs. Honey Goyal & Ors. [2025 INSC 361 : Civil Appeal No. \_\_\_\_\_ of 2025 arising out of SLP (C) No.4484 of 2020 decided on 18.03.2025]**, after calculation of the enhanced amount, the same be transferred by the Insurance Company in the bank account(s) of the

claimants within six weeks from today and the apportionment thereof shall be as per the percentage directed by the Tribunal and the share of the minor claimants (respondent Nos.2 and 3 herein) shall be kept in fixed deposits by the Bank concerned. The particulars of the bank account(s) alongwith the requisite documents(s) in support thereof shall be furnished by the claimants to the Insurance company within a period of two weeks from the date of this order and needful shall be done by the Insurance Company after verification thereof within four weeks thereafter alongwith up-to-date interest. The compliance shall be reported by the Bank to the Tribunal concerned.

10. In view of the above discussion, the appeal (**FAO-2755-2019**) filed by the Insurance Company is dismissed and the cross-objections (**XOBJC-144-CII-2019**) filed by the claimants are allowed and accordingly the impugned award passed by the Tribunal stands modified to the above extent. Pending applications, if any, also stand disposed off.

20.03.2025  
Yogesh Sharma

( **ALKA SARIN** )  
**JUDGE**

NOTE: Whether speaking/non-speaking: Speaking  
Whether reportable: YES/NO