



242

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

FAO-5794-2019 (O&M)

Date of Decision : 04.09.2025

Gurjeet Kaur & Anr ... Appellant(s)

Versus

Santokh Singh & Ors ... Respondent(s)

CORAM : HON'BLE MRS. JUSTICE ALKA SARIN

Present : Mr. Gurinder Singh Hayer, Advocate for the appellants.

Mr. Harinder Singh, Advocate for respondent No.3.

ALKA SARIN, J. (Oral)

CM-19438-CII-2019

1. For the reasons mentioned therein, the application seeking condonation of delay of 396 days in filing the appeal is allowed and the delay of 396 days in filing the appeal is condoned. However, the claimant-appellants shall not be entitled to any interest for the period of delay in filing the appeal.

FAO-5794-2019

2. The present appeal has been preferred by the claimant-appellants aggrieved by the quantum of compensation awarded by the Motor Accident Claims Tribunal, Sri Muktsar Sahib (hereinafter referred to as 'Tribunal') vide the impugned award dated 18.04.2018 in a motor vehicle accident which occurred on 26.07.2016.

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

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

Sr. No.	Heads	Compensation Awarded
1	Monthly income	₹8,500/-
2	Deduction 50%	[₹8,500 – 4,300] = ₹4,200/-
3	Annual income	[₹4,200 x 12] = ₹50,400/-
4	Multiplier of 18	[₹50,400 x 18] = ₹9,07,200/-
5	Funeral expenses	₹5,000/-
6	Loss of estate	₹15,000/-
7	Loss of consortium	₹1,00,000/-
8	Total Compensation	₹10,27,200/-
	Interest	(In case the payment was made within three months, no interest is to be paid. In case the payment was not made within three months, interest @ 6% per annum)

5. Learned counsel for the claimant-appellants would contend that the Tribunal has wrongly assessed the income of the deceased as ₹8,500/- per month inasmuch as the deceased was also doing tuition work and earning ₹15,000/- per month which was not considered by the Tribunal while assessing his income. It is further the contention that no amount has been awarded towards future prospects which ought to have been 40% and that a deduction of 50% has wrongly been applied as the claimant-appellants being parents were dependent on the deceased. Learned counsel for the claimant-appellants states that he does not challenge the multiplier and the amount awarded towards loss of consortium. He, however, states that the compensation awarded under the conventional heads is not in accordance with the law laid down by the Hon'ble Supreme Court. In support of his contentions he has relied upon the judgments of 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]. Learned counsel has yet further contended that no interest has been awarded and it is only if the amount was not paid within a period of 3 months that the interest @ 6% would be paid.

6. *Per contra* learned counsel for respondent No.3 would contend that the income of the deceased has rightly been assessed as ₹8,500/- per month. It is further the contention that the compensation awarded under the conventional heads as well as under the head 'loss of consortium' is on the higher side.

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

7. Admittedly, no appeal has been preferred by the Insurance Company. In the present case, the Tribunal has assessed the income of the deceased as ₹8,500/- per month based on the evidence produced by the claimant-appellants. Though it has been contended that ₹15,000/- was being earned by the deceased from the tuition work, however, there is no evidence qua the same. The only evidence produced was the attested copies of the pay record of the deceased (Ex.C3 to Ex.C5) and the attendance sheets of the deceased (Ex.C6 to Ex.C8). On the basis of the same, the income has been assessed as ₹8,500/- per month and no fault can be found with the same. Hence, the same is accordingly maintained. The Tribunal has made a deduction of 50%. Though the same has been challenged by the learned counsel for the claimant-appellants, however, in the absence of any evidence that the claimant-appellants were dependent on the deceased who was unmarried, no fault can be found with the deduction, hence, the same is also accordingly maintained. The Tribunal while awarding the compensation has not awarded any amount towards future prospects, hence, as per the law laid down by the Hon'ble Supreme Court in the case of **Pranay Sethi** (supra), 40%

addition would have to be made towards future prospects. Further the compensation awarded under the conventional heads is not in accordance with 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), 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. Since no challenge has been laid by the learned counsel for the claimant-appellants to the multiplier as well as amount awarded towards loss of consortium, the same is accordingly maintained.

8. No interest has been awarded by the Tribunal and the interest @ 6% was to be paid only if the amount was not deposited within a period of 3 months. This view of the Tribunal cannot be sustained. As per Section 171 of the Motor Vehicles Act, 1988, interest is to be awarded from the date of filing of the claim petition till its realization. In view thereof, interest @ 7.5% is awarded from the date of filing of the claim petition till the realization of the amount.

9. Accordingly, the reworked compensation is as under :

Sr.No.	Heads	Compensation Awarded
1	Monthly Income	₹8,500/-
2	Annual Income	₹1,02,000/- [₹8,500 x 12]
3	Deduction - 50%	₹51,000/- [₹1,02,000 - ₹51,000]
4	Future Prospects - 40%	₹71,400/- [₹51,000 + ₹20,400]
5	Multiplier - 18	₹12,85,200/- [₹71,400 x 18]
6	Loss of estate	₹18,000/-
7	Funeral expenses	₹18,000/-
8	Loss of consortium (i) Filial	₹1,00,000/-
	Total Compensation	₹14,21,200/-

10. 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. However, the claimant-appellants shall not be entitled to any interest for the period of delay in filing the present appeal.

11. In view of the decision by the Hon'ble Supreme Court in **Parminder Singh Vs. Honey Goyal & Ors. [AIR 2025 SC 1713 = 2025 SCC OnLine SC 567]**, 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 direction of the Tribunal. 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.

12. In view of the above discussion, the present appeal is allowed and the award passed by the Tribunal stands modified accordingly. Pending applications, if any, also stand disposed off.

04.09.2025
Yogesh Sharma

(**ALKA SARIN**)
JUDGE

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