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

FAO-3175-2019 (O&M)

Date of Decision : 02.09.2025

KULDIP KAUR AND ORS.

.... Appellants

VERSUS

JATINDERPAL SINGH AND ORS

.... Respondents

CORAM : HON'BLE MRS. JUSTICE ALKA SARIN

Present : Mr. Manoj K. Sharma, Advocate
for the appellants.

Mr. Punit Jain, Advocate
for respondent No.3.

ALKA SARIN, J. (ORAL)

1. The present appeal has been preferred by the claimant-appellants aggrieved by the quantum of compensation awarded by the Motor Accident Claims Tribunal, Hoshiarpur (hereinafter referred to as the 'Tribunal') vide award dated 02.01.2019.

2. Since the factum of the accident is not in dispute, the facts, as recorded in the impugned award passed by the Tribunal, are not being adverted to herein 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 | ₹8,000 |
| 2. | Annual income | [₹8,000 x 12] = ₹96,000 |
| 3. | Deduction 1/3 rd | [₹96,000 - ₹32,000] = ₹64,000 |
| 4. | Multiplier of '9' | [₹64,000 x 9] = ₹5,76,000 |
| 5. | Funeral expenses | ₹15,000 |
| 6. | Loss of consortium | ₹40,000 |
| | Total Compensation | ₹6,31,000 (written as ₹6,41,000 by the Tribunal) |
| | 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 |

4. Learned counsel for the claimant-appellants would contend that the deceased in the present case was a 58 years old man who owned 400 Kanal of land which is reflected in the jamabandi (Ex.A2 and Ex.A3). It is further the contention of the learned counsel that the deceased was looking after the agricultural work therefore his income, as assessed by the Tribunal, is not proper. Though the land remained with the claimant-appellants, however, they would need to employ a manager to look after the said land. Learned counsel has relied upon the judgment in the case of **State of Haryana & Anr. vs. Jasbir Kaur & Ors. [2003 (4) RCR (Civil) 140]** to contend that at least the minimum wages for a skilled worker ought to have been awarded. Learned counsel would further contend that no addition has been made towards future prospects which ought to have been 10% as per the law laid down by the Hon'ble Supreme Court in the case of **National Insurance Company Ltd.**

vs. Pranay Sethi & Ors. [(2017) 16 SCC 680]. It is still further the contention of the learned counsel that the amounts awarded under the conventional heads and under the head loss of consortium are not in consonance with the law laid down by the Hon'ble Supreme Court in the case of **Pranay Sethi** (supra), **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.

5. *Per contra*, learned counsel for respondent No.3-Insurance Company would contend that the income has rightly been assessed as ₹8,000 per month. It is further the contention of the learned counsel that the amount so awarded was deposited within the period of 3 months and as such the interest has rightly not been awarded.

6. Heard.

7. The deceased in the present case admittedly owned 400 Kanal of land as is evident from the jamabandis (Ex.A2 and Ex.A3). It has come in evidence that the deceased was doing agricultural work and there is no evidence contrary thereto. The Hon'ble Supreme Court in the case of **Jasbir Kaur** (supra) has held as under :

“8. It is clear on a bare reading of the Tribunal's decision as affirmed by the High Court that no material was placed

before the former to prove as to what was the income. As rightly contended by learned counsel for the appellants, there was not even any material adduced to show type of land which the deceased possessed. The matter can be approached from a different angle. The land possessed by the deceased still remains with the claimants as his legal heirs. There is however a possibility that the claimants may be required to engage persons to look after agriculture. Therefore, the normal rule about the deprivation of income is not strictly applicable to cases where agricultural income is the source. Attendant circumstances have to be considered. Furthermore, there was no material before the Tribunal to arrive at the figure of Rs.4500 per month. No reason has been indicated to arrive at this figure. In the light of what has been discussed above about "just compensation" the income cannot be estimated without any material to justify the estimation. In the normal course, we would have remitted the matter back to the Tribunal for fresh consideration. But considering the fact that one young person lost his life, and the matter was pending before the Tribunal and the High Court for some years, we feel it appropriate to take all relevant factors into consideration and decide the matter. Gauging the relevant aspects, noted above, the monthly

income is fixed at Rs.3000/- per month and after deducting Rs.1,000/- for personal expenses, financial contribution so far as the claimants are concerned is fixed at Rs.2,000/- per month....”

The accident had taken place on 02.01.2019 and at that time the minimum wage for an agricultural worker in the State of Haryana was ₹339 per day i.e. ₹10,170 per month and the minimum wages of a skilled worker were ₹9,135. Otherwise also, in view the fact that the family may not be able to look after the land as efficiently as the deceased and may need a Manager to manage the same, this Court deems it appropriate to assess the income of the deceased as per the minimum wages applicable to a skilled worker which is ₹9,135 per month (rounded off to ₹10,000 per month).

8. Further, no addition has been made towards future prospects. Hence, as per the law laid down by the Hon'ble Supreme Court in the case of **Pranay Sethi** (supra), 10% addition is made towards future prospects. Since the multiplier of 9 and the deduction of 1/3rd has rightly been made by the Tribunal, the same are maintained. The amounts awarded under the conventional heads i.e. loss of estate and funeral expenses are not in consonance 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). Accordingly, the claimant-appellants would be entitled to ₹18,000 (₹15,000 + 20% increase) towards loss of estate and ₹18,000 (₹15,000 + 20% increase) towards funeral expenses. As per the law laid down by the Hon'ble Supreme Court in the case of **Magma General**

Insurance Company Limited (supra), the claimant-appellants, being widow and children of the deceased, would be entitled to compensation under the head loss of consortium i.e. spousal and parental consortium to the tune of ₹48,000 each.

9. 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.

10. Accordingly, the reworked compensation to which the claimant-appellants are entitled to is as under :

| Sr. No. | Heads | Compensation Awarded |
|---------|--|---|
| 1. | Monthly income | ₹10,000 |
| 2. | Annual income | [₹10,000 x 12] = ₹1,20,000 |
| 3. | Deduction 1/3 rd | [₹1,20,000 - ₹40,000] = ₹80,000 |
| 4. | Future prospects @10% | [₹80,000 + ₹8,000] = ₹88,000 |
| 5. | Multiplier of '9' | [₹88,000 x 9] = ₹7,92,000 |
| 6. | Funeral expenses | ₹18,000 |
| 7. | Loss of estate | ₹18,000 |
| 8. | Loss of consortium (i) Spousal (ii) Parental | ₹48,000 [₹48,000 x 2] = ₹96,000 Total = ₹1,44,000 |
| | Total Compensation | ₹9,72,000 |

11. 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. The amount shall be apportioned between the claimant-appellants as directed by the Tribunal.

12. In view of the decision by the Hon'ble Supreme Court in **Parminder Singh vs. Honey Goyal & Ors. [AIR 2025 SC 1713]**, after calculation of the enhanced amount, the same be transferred by respondent No.3-Insurance Company in the bank account(s) of the claimant-appellants within a period of six weeks from today. The particulars of the bank account(s) along with the requisite documents in support thereof shall be furnished by the claimant-appellants to respondent No.3-Insurance company within a period of two weeks from today and needful shall be done by respondent No.3-Insurance Company after verification thereof within a period of four weeks thereafter along with up-to-date interest. The compliance shall be reported by the Bank to the Tribunal concerned.

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

02.09.2025
Aman Jain

(ALKA SARIN)
JUDGE

NOTE: Whether speaking/non-speaking: Speaking
Whether reportable: Yes/No