



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

(110)

FAO-388-2022

Date of decision:- 08.09.2025

Manju Chauhan and others

...Appellants

Versus

Subodh Prasad and others

...Respondents

CORAM: HON'BLE MR. JUSTICE VIKAS BAHL

Present: Mr. Manmohan Saroop, Advocate, and
Ms. Meenakshi Saroop, Advocate
for Mr. Gaurav Gupta, Advocate,
for the appellants.

Mr. Punit Jain, Advocate,
for respondent No.3-Insurance Company.

VIKAS BAHL, J. (ORAL)

1. Widow, mother and children of the deceased-Tarun Chauhan, who died in a motor vehicular accident which took place on 06.06.2017, have filed the present appeal for enhancement of compensation. The Motor Accident Claims Tribunal, Chandigarh, vide award dated 10.10.2019 had awarded the compensation of Rs.48,75,346/- along with interest at the rate of 7.5% per annum to the claimants/appellants in the proportion detailed in para 29 of the award. The only issue which arises for consideration in the present appeal is as to whether the present appellants are entitled to enhancement of

compensation, as other aspects have not been disputed before this Court.

2. Learned counsel for the appellants has submitted that in the present case, the appellants had been given only an amount of Rs.15,000/- on account of loss of estate and Rs.15,000/- on account of funeral expenses, whereas, as per settled law, the appellants are entitled to Rs.18,150/- each on both the said aspects. It is further submitted that with respect to loss of consortium, only an amount of Rs.40,000/- had been awarded, whereas, there are four claimants who were dependent upon the deceased which included widow, mother and two children of the deceased and thus, a total amount of Rs.1,93,600/- (Rs.48,400 x 4) is required to be granted on the said aspect. It is argued that the present appellants are entitled to an amount of Rs.1,59,900/- as additional compensation and has prayed that interest @ 9% per annum be given on the said enhanced amount. In support of his arguments, learned counsel for the appellants has relied upon the law laid down by the Hon'ble Supreme Court in cases titled as *Sarla Verma (Smt.) and others Vs. Delhi Transport Corporation and another* reported as (2009) 6 SCC 121, *National Insurance Company Limited Vs. Pranay Sethi and others* reported as (2017) 16 SCC 680, and *Magma General Insurance Company Limited Vs. Nanu Ram alias Chuhru Ram and others* reported as (2018) 18 SCC 130.

3. Learned counsel appearing for respondent No.3-Insurance Company, on the other hand, has submitted that the rate of interest which is sought to be claimed by the appellants is highly excessive and at best the interest that can be awarded on the additional compensation should be 6% per annum.

4. Learned counsel for the appellants, after taking into

consideration the objection raised by the learned counsel for contesting respondent No.3-Insurance Company, has prayed that at least 7.5% interest be granted, which this Court has granted in large number of cases and even the Tribunal has granted interest @ 7.5% p.a. Learned counsel for the appellants has submitted a revised chart, the relevant portion of which has been reproduced herein below:-

**“PROFORMA TO BE SUBMITTED BY LD. ADVOCATES/LITIGANTS
IN FAO MACT CASES**

Manju Chauhan V/s Subodh Prasad

FAO No.388 of 2022

Appellant Herein: Claimant(s)

Date of Accident:- 06-06-2017

Nature of case: Death

Age of Deceased: 42 year's

Driving Licence/Route Permit/Insurance: --

DETAILS OF RELIEF GRANTED/CLAIMED

<i>DETAILS</i>	<i>BEFORE TRIBUNAL</i>	<i>THE</i>	<i>Compensation claimed as per judgments of Sarla Verma, Pranay Sethi & Magma General Insurance.</i>
<i>Income</i>	<i>Monthly Annual: Rs.3,66,122</i>		<i>Monthly: Annual: Rs.3,66,122/-</i>
<i>Deduction 1/4th</i>			
<i>Future Prospects 25%</i>			
<i>Multiplier 14</i>	<i>Rs.48,05,346/-</i>		<i>Rs.48,05,346/-</i>
<i>Loss of Estate</i>	<i>Rs.15,000/-</i>		<i>Rs.18,150/-</i>
<i>Funeral Expenses</i>	<i>Rs.15,000/-</i>		<i>Rs.18,150/-</i>
<i>Loss of consortium</i>	<i>Parental - Filial - Spousal's- Rs.40,000/-</i>		<i>Rs.48,400 x 4 = Rs.1,93,600/-</i>

<i>Total Compensation</i>	<i>Rs.48,75,346/-</i>	<i>Rs.50,35,246 – Rs.48,75,346</i>
	<i>Less awarded</i>	<i>Rs.1,59,900/-</i>
<i>Interest</i>	<i>@ 7.5% interest w.e.f. 14/07/2017 Date of Filing Claim Petition. Liability of Respondent no.3 United India Insurance.</i>	

Dated: 08/09/2025”

5. This Court has considered the arguments raised on behalf of both the parties and has gone through the paper-book and also the revised chart produced by the learned counsel for the appellants and is of the opinion that the amount of enhancement claimed in the revised chart is in accordance with law and deserves to be approved.

6. Hon’ble the Supreme Court in para 42 of *Sarla Verma’s case* (Supra) had observed as under:-

*“We therefore hold that the multiplier to be used should be as mentioned in column (4) of the Table above (prepared by applying Susamma Thomas, Trilok Chandra and Charlie), which starts with an operative multiplier of 18 (for the age groups of 15 to 20 and 21 to 25 years), reduced by one unit for every five years, that is M-17 for 26 to 30 years, M-16 for 31 to 35 years, M-15 for 36 to 40 years, **M-14 for 41 to 45 years**, and M-13 for 46 to 50 years, then reduced by two units for every five years, that is, M-11 for 51 to 55 years, M-9 for 56 to 60 years, M-7 for 61 to 65 years and M-5 for 66 to 70 years.”*

7. A perusal of the above would show that for the age of 42 years, multiplier of ‘14’ is to be applied.

8. The Hon’ble Supreme Court in *Pranay Sethi’s case* (Supra), has held as under:-

“59.In view of the aforesaid analysis, we proceed to record our

conclusions:-

59.1 The two-Judge Bench in Santosh Devi should have been well advised to refer the matter to a larger Bench as it was taking a different view than what has been stated in Sarla Verma, a judgment by a coordinate Bench. It is because a coordinate Bench of the same strength cannot take a contrary view than what has been held by another coordinate Bench.

59.2 As Rajesh has not taken note of the decision in Reshma Kumari, which was delivered at earlier point of time, the decision in Rajesh is not a binding precedent.

59.3 While determining the income, an addition of 50% of actual salary to the income of the deceased towards future prospects, where the deceased had a permanent job and was below the age of 40 years, should be made. The addition should be 30%, if the age of the deceased was between 40 to 50 years. In case the deceased was between the age of 50 to 60 years, the addition should be 15%. Actual salary should be read as actual salary less tax.

*59.4 In case the deceased was self-employed or on a fixed salary, an addition of 40% of the established income should be the warrant where the deceased was below the age of 40 years. **An addition of 25% where the deceased was between the age of 40 to 50 years** and 10% where the deceased was between the age of 50 to 60 years should be regarded as the necessary method of computation. The established income means the income minus the tax component.*

59.5 For determination of the multiplicand, the deduction for personal and living expenses, the tribunals and the courts shall be guided by paragraphs 30 to 32 of Sarla Verma which we have reproduced hereinbefore.

59.6 The selection of multiplier shall be as indicated in the Table in Sarla Verma read with paragraph 42 of that judgment.

59.7 The age of the deceased should be the basis for applying the multiplier.

59.8 Reasonable figures on conventional heads, namely, loss of estate, loss of consortium and funeral expenses should be Rs. 15,000/-, Rs. 40,000/- and Rs. 15,000/- respectively. The aforesaid amounts should be enhanced at the rate of 10% in every three years.

60. The reference is answered accordingly. Matters be placed before the appropriate Bench.”

9. A perusal of the above judgment would show that it was observed by the Hon’ble Supreme Court that addition of some percentage of the actual salary to the income of the deceased towards future prospects was also required to be taken into consideration.

10. The Hon’ble Supreme Court in ***Magma General Insurance Company Limited’s case (Supra)*** had further observed that in death case, under the head of loss of consortium, the parents of the deceased are entitled to be awarded loss of consortium under the head of filial consortium and children are entitled to parental consortium. To the widow, spousal consortium is to be given. Relevant portion of the said judgment is reproduced hereinbelow:-

“21. A Constitution Bench of this Court in Pranay Sethi dealt with the various heads under which compensation is to be awarded in a death case. One of these heads is Loss of Consortium. In legal parlance, “consortium” is a compendious term which encompasses ‘spousal consortium’, ‘parental consortium’, and ‘filial consortium’. The right to consortium would include the company, care, help, comfort, guidance, solace and affection of the deceased, which is a loss to his family. With respect to a spouse, it would include sexual

relations with the deceased spouse.

21.1 Spousal consortium is generally defined as rights pertaining to the relationship of a husband wife which allows compensation to the surviving spouse for loss of “company, society,co-operation, affection, and aid of the other in every conjugal relation.”

21.2 Parental consortium is granted to the child upon the premature death of a parent, for loss of “parental aid, protection, affection, society, discipline, guidance and training.”

21.3 Filial consortium is the right of the parents to compensation in the case of an accidental death of a child. An accident leading to the death of a child causes great shock and agony to the parents and family of the deceased. The greatest agony for a parent is to lose their child during their lifetime. Children are valued for their love, affection, companionship and their role in the family unit.

22. Consortium is a special prism reflecting changing norms about the status and worth of actual relationships. Modern jurisdictions world over have recognized that the value of a child’s consortium far exceeds the economic value of the compensation awarded in the case of the death of a child. Most jurisdictions therefore permit parents to be awarded compensation under loss of consortium on the death of a child. The amount awarded to the parents is a compensation for loss of the love, affection, care and companionship of the deceased child.

23. The Motor Vehicles Act is a beneficial legislation aimed at providing relief to the victims or their families, in cases of genuine claims. In case where a parent has lost their minor child, or unmarried son or daughter, the parents are entitled to be awarded loss of consortium under the head of Filial Consortium. Parental Consortium is awarded to children who

lose their parents in motor vehicle accidents under the Act. A few High Courts have awarded compensation on this count 5. However, there was no clarity with respect to the principles on which compensation could be awarded on loss of Filial Consortium.

24. The amount of compensation to be awarded as consortium will be governed by the principles of awarding compensation under 'Loss of Consortium' as laid down in Pranay Sethi (supra). In the present case, we deem it appropriate to award the father and the sister of the deceased, an amount of Rs.40,000 each for loss of Filial Consortium."

11. In the abovesaid judgment, a specific amount was awarded to the father and sister of the deceased and thus, the amount of consortium awarded was made dependent upon the number of claimants/legal representatives.

12. It is a matter of settled law that the amounts on account of loss of estate and funeral expenses which the appellants are entitled to are Rs.18,150/- each and thus, the amounts of Rs.15,000/- each given by the Tribunal on the said aspects are on the lesser side. Moreover, since there are four claimants who were dependent upon the deceased, thus, the amount on account of spousal, parental and filial consortium which is to be awarded to the present appellants is Rs.1,93,600/- (Rs.48,400 x 4) which has been rightly sought by the appellants in the revised chart. Accordingly, the claimants are held entitled to an additional amount of Rs.1,59,900/-. With respect to interest, this Court has been consistently awarding rate of interest @ 7.5% per annum on the enhanced amount of compensation, which rate of interest is also reasonable in the present case.

13. Keeping in view the abovesaid facts and circumstances, the present appeal is partly allowed and the impugned award dated 10.10.2019 is modified and respondent No.3-Insurance Company is directed to pay an additional amount of compensation to the tune of Rs.1,59,900/- to the appellants/claimants along with interest at the rate of 7.5% per annum from the date of filing of the claim petition till the date of actual payment within a period of six weeks from today, in the same proportion as had been directed in the award.

September 08, 2025

naresh.k

**(VIKAS BAHL)
JUDGE**

Whether speaking/reasoned:-

Yes/No

Whether reportable:-

Yes/No