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**IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH****FAO-1160-2024 (O&M)****Date of Decision : 11.09.2025**

Gurjant Singh and Others ... Appellants

Versus

Raj Gagan Singh and Another ... Respondents

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

Present : Mr. Daman Jeet Bhorawal, Advocate for the appellants.

Mr. D.K. Prajapati, Advocate for respondent No.2.

**ALKA SARIN, J. (Oral)****CM-4609-CII-2024**

1. For the reasons stated in the application, the same is allowed. The delay of 208 days in filing the present appeal is condoned. However, the claimants shall not be entitled to any interest for the period of delay in filing the appeal.

**FAO-1160-2024 (O&M)**

2. The present appeal has been preferred by the claimant-appellants aggrieved by the quantum of compensation awarded by the Motor Accident Claims Tribunal, Ferozepur (hereinafter referred to as 'Tribunal') vide the impugned award dated 18.04.2023 on account of death of Nirmal Singh (hereinafter referred to as the 'deceased') in a motor vehicle accident which occurred on 29.11.2021.

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	₹10,000/-
2	Monthly income after addition of future prospects @ 35%	₹13,500/-
3	Deduction – 50%	[₹13,500 – 6,750] = ₹6,750/-
4	Annual income	[₹6,750 x 12] = ₹81,000/-
5	Multiplier – 11	[₹81,000 x 11] = ₹8,91,000/-
5	Funeral expenses	₹15,000/-
6	Loss of estate	₹15,000/-
7	Loss of consortium	₹40,000/-
	<b>Total Compensation</b>	<b>₹9,61,000/-</b>

The Tribunal awarded interest @ 7.5% per annum from the date of the award.

5. Learned counsel for the claimant-appellants would contend that though he does not challenge the income and the multiplier as assessed by the Tribunal, however, he has contended that the Tribunal has wrongly applied the deduction of 50% though the claimants in the present case are 05 i.e. 02 major son and 03 married daughters and therefore, deduction of 1/4<sup>th</sup> ought to have been applied. In support of his contention, he has relied upon the judgment of Hon'ble Supreme Court in case of **Seema Rani & Ors. vs. The Oriental Insurance Company Limited & Ors. [2025 (2) RCR (Civil) 48]**. Learned counsel for the claimant-appellants would further contend that the compensation awarded by the Tribunal under the conventional heads as well as under the head 'loss of consortium' is also not in accordance with the law laid down by the Hon'ble Supreme Court. In support of his contention, 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 for the claimant-appellants would further contend that the Tribunal has awarded the interest @ 7.5% from the date of the award, which should be from the date of the filing of the claim petition. Learned counsel for the claimant-appellants has fairly conceded that the addition made by the Tribunal towards loss of future prospects is not in accordance with the law laid down by Hon'ble Supreme Court in case of **Pranay Sethi** (supra).

6. *Per contra*, the learned counsel for respondent No.3-Insurance Company has contended that the deduction of 50% has rightly been applied as the claimants in the present case are 02 major sons and 03 married daughters and that addition of 10% ought to have been awarded towards loss of the future prospects as per the age of the deceased, who was 52 years of age. It is further the contention that sufficient amount has already been awarded as compensation in the present case and that there is no scope of any enhancement.

7. Heard.

8. Admittedly, no appeal has been preferred by the Insurance Company. Since there is no challenge to the income and the multiplier as assessed by the Tribunal, the same are maintained. The Tribunal has applied a deduction of 50% though the claimants in the present case are 05 i.e. 02 major sons and 03 married daughters. Hon'ble Supreme Court in the case of **Seema Rani** (supra) has held as under :

*“9. We have heard the learned counsel for the Appellants. We are unable to agree with the view taken by the Tribunal on the dependents of the deceased. This Court in National Insurance Company Limited v. Birender & Ors., (2020) 11 SCC 356 had expounded that major married and earning sons of the deceased, being legal representatives, have a right to apply for compensation, and the Tribunal must consider the application, irrespective of whether the representatives are fully dependent on the deceased or not. The Court went on to conclude that since the sons, in that case, were earning merely Rs.1,50,000/- per annum, they were largely dependent on the earnings of the deceased and were staying with her.*

*10. Adverting to the facts at hand, on a perusal of the statement of Shashi Kumar, the son of the deceased (Appellant No.2 herein), annexed as Annexure P6, was working at a petrol pump, while the other son was involved in temporary 1 (2020) 11 SCC 356 employment opportunities only. Both of them were residing with the deceased. In such circumstances, it cannot be said that they were self-sufficient or independent of the deceased. Similarly, applying the exposition in Birender (Supra), there is no reason to exclude a married daughter from compensation. Therefore, in view of this, the High Court erred in excluding these dependants.”*

9. In view of the law laid down by the Hon’ble Supreme Court in the case of **Seema Rani** (supra), the major sons and married daughters would also be held to be dependents and thus the number of claimants would be 05 and therefore a deduction of 1/4<sup>th</sup> would be applicable in the present case.

10. The Tribunal in the present case has made an addition of 35% towards loss of future prospects. The deceased in the present case was 52 years

of age, hence as per the law laid down by Hon'ble Supreme Court in case of **Pranay Sethi** (supra), an addition of 10% would be applicable.

11. Further, the compensation awarded by the Tribunal under the conventional heads as well as under the head 'loss of consortium' 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 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 and further to an amount of ₹48,000/- each under the head 'loss of consortium'.

12. Accordingly, the reworked compensation is as under :

Sr. No.	Heads	Compensation Awarded
1	Monthly Income	₹10,000/-
2	Annual Income	₹1,20,000/- [₹10,000 x 12]
3	Deduction - 1/4th	₹90,000/- [₹1,20,000 - ₹30,000]
4	Future Prospects - 10%	₹99,000/- [₹90,000 + ₹9,000]
5	Multiplier - 11	₹10,89,000/- [₹99,000 x 11]
6	Loss of estate	₹18,000/-
7	Funeral expenses	₹18,000/-
8	Loss of consortium (i) Parental [₹48,000/- x 5]	₹2,40,000/-
	<b>Total Compensation</b>	<b>₹13,65,000/-</b>

13. Vide the impugned award, the Tribunal has awarded interest @ 7.5% per annum from the date of the award till realization which in the opinion of this Court is erroneous inasmuch as Section 171 of the Motor Vehicles Act, 1988 provides that 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.

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

15. 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 percentage directed by the Tribunal. The particulars of the bank account(s) alongwith the requisite documents(s) in support thereof shall be furnished by the claimant-appellants 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.

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

11.09.2025  
jk

( ALKA SARIN )  
JUDGE

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