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

FAO-3832-2022 (O&M)

Date of Decision : 10.09.2025

JAGDEV SINGH AND ANR

.... Appellants

VERSUS

UMESH KUMAR AND ORS

.... Respondents

CORAM : HON'BLE MRS. JUSTICE ALKA SARIN

Present : Mr. Jagmeet Singh Moudgil, Advocate for the appellants.

Mr. Vinod Gupta, Advocate for respondent No.3.

ALKA SARIN, J. (ORAL)

CM-11734-CII-2022

1. This is an application for condonation of delay of 53 days in filing the main appeal.

2. For the reasons stated in the application, the same is allowed and the delay of 53 days in filing the main appeal is condoned.

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3. The present appeal has been preferred by the claimant-appellants aggrieved by the quantum of compensation awarded by the Motor Accident Claims Tribunal, Patiala (hereinafter referred to as the 'Tribunal') vide award dated 30.11.2021.

4. 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.

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

Sr. No.	Heads	Compensation Awarded
1.	Monthly income	₹10,000
2.	Annual income	[₹10,000 x 12] = ₹1,20,000
3.	Deduction @ 50%	[₹1,20,000 - ₹60,000] = ₹60,000
4.	Future prospects @ 40%	[₹60,000 + ₹24,000] = ₹84,000
5.	Multiplier of '18'	[₹84,000 x 18] = ₹15,12,000
6.	Funeral expenses	₹16,500
7.	Loss of estate	₹16,500
8.	Loss of consortium	₹88,000
	Total Compensation	₹16,33,000
	Interest	@ 8% per annum

6. Learned counsel for the claimant-appellants would contend that the monthly income of the deceased though was proved on the record to be ₹11,079 however the Tribunal has taken the same to be ₹10,000 being the net salary. Learned counsel has relied upon the judgment in the case of **National Insurance Company Ltd. v. Nalini & Ors. [2024 SCC OnLine SC 2252]** to contend that the gross income of the deceased is to be taken into consideration and not the net salary. It is further the contention of the learned counsel that though the claimant-appellants do not dispute the deduction, the addition made towards future prospects and the multiplier applied however the amounts awarded under the conventional heads i.e. loss of estate and funeral expenses as well as under the head 'loss of consortium' are not in consonance with 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].

7. *Per contra*, learned counsel for respondent No.3-Insurance Company would contend that the income of the deceased has rightly been assessed as ₹10,000 per month and that sufficient amount has already been awarded as compensation in the present case and that there is no scope of any enhancement.

8. Heard.

9. In the present case the Tribunal while assessing the income has assessed it to be ₹10,000 per month taking the net salary of the deceased to be ₹9,953 per month after deduction. In the case of **Nalini** (supra) it has been held that the allowances under the heads of transport allowance, house rent allowance, provident fund loan, provident fund and special allowance ought to be added while considering the basic salary of the victim/deceased to arrive at the dependency factor. In view of the above, the gross salary of the deceased has to be considered and not the net salary. Accordingly, the income of the deceased is assessed as ₹11,079 per month. Since there is no challenge to the deduction, the addition made towards future prospects and the multiplier applied, the same are maintained.

10. Further, the amounts awarded under the conventional heads i.e. loss of estate and funeral expenses and under the head loss of consortium are not in consonance with the law laid down by the Hon'ble Supreme Court and the argument deserves to be accepted. Hence, 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), 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. The claimant-appellants, being the father and the sister of the deceased, would also be entitled to ₹48,000 each (₹40,000 + 20% increase) towards loss of consortium.

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

Sr. No.	Heads	Compensation Awarded
1.	Monthly income	₹11,079
2.	Annual income	[₹11,079 x 12] = ₹1,32,948
3.	Deduction @ 50%	[₹1,32,948 - ₹66,474] = ₹66,474
4.	Future prospects @ 40%	[₹66,474 + ₹26,590] = ₹93,064
5.	Multiplier of '18'	[₹93,064 x 18] = ₹16,75,152
6.	Funeral expenses	₹18,000
7.	Loss of estate	₹18,000
8.	Loss of consortium (i) Filial	[₹48,000 x 2] = ₹96,000
	Total Compensation	₹18,07,152

12. 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.

13. 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.

14. 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.

10.09.2025
Aman Jain

(ALKA SARIN)
JUDGE

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