



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

**FAO-1025-2022 (O&M)
and XOBJC-91-2023 (O&M)
Date of Decision : 13.05.2025**

Cholamandalam MS General Insurance Company Ltd. ... Appellant(s)

Versus

Deepak & Ors ... Respondent(s)

CORAM : HON'BLE MRS. JUSTICE ALKA SARIN

Present : Mr. Nigam K. Bhardwaj, Advocate for the appellant.
Mr. Rajesh Bansal, Advocate
for respondent Nos.1 and 2/cross-objectors.

ALKA SARIN, J. (Oral)

1. The present appeal has been preferred by the appellant-Insurance Company aggrieved by the quantum of compensation awarded vide the impugned award dated 21.12.2021 passed by the Motor Accident Claims Tribunal, Panipat (hereinafter referred to as 'Tribunal'). The cross-objections (**XOBJC-91-2023**) have been filed by the claimant-respondent Nos.1 and 2 aggrieved by the quantum of compensation.

2. Since the factum of the accident is not in dispute, the facts are not being reproduced herein for the sake of brevity.

3. The Tribunal 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	Multiplier of 18	[₹60,000 x 18] = ₹10,80,000/-

5	Funeral expenses	₹15,000/-
6	Loss of estate	₹15,000/-
7	Loss of consortium	₹40,000/-
8	Hospitalization and transportation	₹1,00,000/-
	Total Compensation	₹12,50,000/-
	Interest	7.5% per annum

4. Learned counsel for the appellant-Insurance Company would contend that the income of the deceased, who was a minor child of 11 years at the time of the accident, is on the higher side as the minimum wages of a skilled worker have been applied.

5. *Per contra* the learned counsel for the claimant-respondent Nos.1 and 2/cross-objectors would contend that the income of the deceased has rightly been assessed keeping in view the law laid down by the Hon'ble Supreme Court in the cases of **Baby Sakshi Greola Vs. Manzoor Ahmad Simon & Anr. [2025 (1) RCR (Civil) 238]** and **Kajal Vs. Jagdish Chand & Ors. [2020 (2) RCR (Civil) 27]**. It is further the contention of the learned counsel that though the multiplier of '18' and deduction of 50% have rightly been applied, however, no amount has been added towards future prospects which ought to have been 40%. It is further the contention of the learned counsel that the amounts awarded under the conventional heads as well as under the head 'loss of consortium' are also 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].

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

7. In the present case the argument of the learned counsel for the appellant-Insurance Company that the income of the deceased has been assessed on the higher side deserves to be rejected. Hon'ble Supreme Court in the case of **Baby Sakshi Greola** relying upon the case of **Kajal** (supra) had assessed the notional income of a 7 years' old child who had received injuries on the basis of minimum wages payable to a skilled worker. Hon'ble Supreme Court recently in the case of **Karuna Parmar Vs. Prakash Sinha & Ors. [Civil Appeal No.2317 of 2025 arising out of SLP (C) No.6428 of 2023 decided 11.02.2025]**, yet again relying on **Baby Sakshi Greola** (supra), awarded compensation in the case of a 6 years' old child who had died in an accident which occurred on 07.03.2014 as per the minimum wages applicable for a skilled worker in the year 2014. In view thereof, no fault can be found with the finding of the Tribunal whereby the income has been assessed as per the minimum wages for a skilled worker. Accordingly, the income of the deceased is maintained as ₹10,000/- per month.

8. The argument of the learned counsel for the claimant-respondent Nos.1 and 2/cross-objectors that no amount has been added towards future prospects deserves to be accepted in view of the law laid down by the Hon'ble Supreme Court in the cases of **Pranay Sethi** (supra) and **Karuna Parmar** (supra). Accordingly, 40% addition is made towards future prospects.

9. The argument of the learned counsel for the claimant-respondent Nos.1 and 2/cross-objectors that the amounts awarded under the conventional heads as well as under the head 'loss of consortium' are also not in accordance with the law laid down by the Hon'ble Supreme Court also deserves to be accepted in view of 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-respondent Nos.1 and 2 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 the claimants (parents of the deceased) would also be entitled to ₹48,000/- each (₹40,000+20% increase) towards loss of consortium.

10. In the present case, the Tribunal has rightly applied deduction of 50% as well as multiplier of '18' and, hence, the same are maintained. The amount of ₹1,00,000/- awarded by the Tribunal towards hospitalization and transportation is also maintained. 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 50%	₹60,000/- [₹1,20,000 – 60,000]
4	Future Prospects - 40%	₹84,000/- [₹60,000 + 24,000]
5	Multiplier - 18	₹15,12,000/- [₹84,000 x 18]
6	Loss of estate	₹18,000/-
7	Funeral expenses	₹18,000/-
8	Loss of consortium (i) Filial [₹48,000/- x 2]	₹96,000/-
	Total Compensation	₹16,44,000/-

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.

12. In view of the decision by the Hon'ble Supreme Court in **Parminder Singh vs. Honey Goyal & Ors. [2025 INSC 361 : Civil Appeal No.4299 of 2025 arising out of SLP (C) No.4484 of 2020 decided on 18.03.2025]**, 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 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.

13. In view of the above discussion, the appeal filed by the Insurance Company is dismissed and the cross-objections filed by the claimants are allowed. The award passed by the Tribunal stands modified to the above extent. Pending applications, if any, also stand disposed off.

13.05.2025
Yogesh Sharma

(ALKA SARIN)
JUDGE

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