



CGHC010364242023



2026:CGHC:43804

NAFR**HIGH COURT OF CHHATTISGARH AT BILASPUR****MAC No. 1901 of 2023**

1 - Smt. Savitri Verma Wd/o Thaneshwar Verma Aged About 56 Years
R/o Ward No.11, Baghel Colony, Nagar Panchayat Pallari, Tahsil
Pallari, District Balodabazar-Bhatapara, C.G. (Claimant)

2 - Vinod Verma S/o Late Thaneshwar Verma Aged About 37 Years
R/o Ward No.11, Baghel Colony, Nagar Panchayat Pallari, Tahsil
Pallari, District Balodabazar-Bhatapara, C.G. (Claimant)

3 - Vikash Verma S/o Late Thaneshwar Verma Aged About 35 Years
R/o Ward No.11, Baghel Colony, Nagar Panchayat Pallari, Tahsil
Pallari, District Balodabazar-Bhatapara, C.G. (Claimant)

4 - Vivek Verma S/o Late Thaneshwar Verma Aged About 32 Years
R/o Ward No.11, Baghel Colony, Nagar Panchayat Pallari, Tahsil
Pallari, District Balodabazar-Bhatapara, C.G. (Claimant)

... Appellants**versus**

1 - Kaushal Prasad Bharti S/o Late Sanat Kumar Bharti Aged About
37 Years R/o Village Bachaurdhih, P.S. Sarsinva, District Baloda
Bazar-Bhatapara, C.G. (Driver Of Vehicle Cg-08-M-9555)

2 - Toshani Lal Sahu S/o Late Fanduram Sahu Aged About 52 Years
R/o Village Kodva, P.S. Pallari, District Baloda Bazar-Bhatapara, C.G.
(Owner Of Vehicle Cg-08-M-9555)

3 - Branch Manager EFCO Tokyo Insurance Com. Ltd. Branch -
Raipur, Add - 205, 2 Floor, M.A. Silver Plaza, Opposite Udyog
Bhawan, Near Mining Office Mahavir Nagar, Ring Road No.1 Raipur,
C.G. (Insurance Company Of Vehicle Cg-08-M-9555)

... Respondents

For Appellants/Claimants	:	Mr. Hemant Gupta, Advocate.
For Respondents No. 1 & 2	:	None.
For Respondent No. 3	:	Mr. Pravesh Sahu, Advocate on behalf of Mr. P.R. Patankar, Adv.

Hon'ble Shri Justice Sanjay Kumar Jaiswal
Judgment on Board
(09.10.2026)

1. This appeal under Section 173 of the Motor Vehicles Act, 1988 (for short the "Act of 1988") has been preferred by the Claimants/appellants for enhancement, challenging the impugned award dated 22.07.2023, passed in Claim Case No.55/2022, whereby the learned Claims Tribunal has awarded a total sum of Rs.28,52,192/- as compensation for the death of Late Thaneshwar Prasad Verma (60 years, 5 months and 15 days old), who died in a road accident which took place on 30.04.2022.
2. Learned counsel for the Appellants/claimants submitted that the learned Tribunal erred in law by applying a multiplier of 7. The Tribunal itself found that the date of Birth of the Deceased is 15.11.1961 (as per service book Ex.A-30 and Adhar Card Ex.A-26) and the date of death of the deceased was 30.04.2022. Accordingly, at the time of the fatal accident, the deceased was aged 60 years, 5 months and 15 days. As per the binding guidelines established by the Hon'ble Supreme Court in the landmark judgment of **Sarla Verma & Others v. Delhi Transport Corporation & Another ((2009) 6 SCC 121)**, for victims falling within the age bracket of 56 to 60 years, the applicable multiplier is 9, not 7. Because the deceased had not yet completed his 61st year, he squarely falls

within the 56 to 60 age category. It is therefore contended that the Tribunal committed a patent error in applying a multiplier of 7. He further submits that on the other heads, the tribunal has granted a lesser amount towards loss of consortium to each of the claimants, which also needs to be enhanced suitably. As such, the appeal deserves to be allowed on this count, and the compensation ought to be suitably enhanced by adopting the correct multiplier of 9 in accordance with the law.

3. Learned counsel for the respondent No. 3/insurance company submits that since the deceased was a salaried person, there will be a statutory deduction towards income tax from the annual income of the deceased. However, the learned Claims Tribunal has not deducted income tax from the deceased's annual income. As such, the impugned award may be modified accordingly.
4. I have heard learned counsel for the parties, considered their rival submissions made herein-above and went through the records with utmost circumspection.
5. In ***Shashikala & Others vs. Gangalakshamma & Another, (2015) 9 SCC 150***, the Hon'ble Supreme Court, while considering the age of the deceased for the purpose of determining the appropriate multiplier, has held that the completed years of age are to be taken into consideration. The relevant observation made by the Hon'ble Supreme Court in paragraph 16 reads as under:

“16. Insofar as appropriate multiplier, the date of birth of the deceased as per driving licence was 16-6-1961. On the date of accident i.e. 14-12-2006, the deceased was aged 45 years 5 months and 28 days and the Tribunal has taken the age as 46 years. Since the

deceased has completed only 45 years, the High Court has rightly taken the age of the deceased as 45 years and adopted multiplier of 14 which is the appropriate multiplier and the same is maintained. Total loss of dependency is calculated at Rs. 16,82,310 (Rs. 1,20,165x14)."

6. So far as the age of the deceased is concerned, as per Adhar Card (Ex.A-26) and Service Book (Ex.A-30) produced by claimant/Vikash Verma (AW-1), date of birth of the deceased is 15.11.1961, whereas the date of death was 30.04.2022. Thus, on the date of the accident, the deceased was aged 60 years, 5 months and 15 days and had not completed 61 years of age.
7. In the case at hand, the learned Tribunal placed reliance on Exhibit A-31 and assessed the deceased's monthly income at ₹49,557/-, which remains undisputed. Furthermore, accounting for the deceased's age, the Tribunal made no addition for future prospects, a point likewise undisputed. Given that the deceased left behind 3 (dependents i.e. appellants No. 1, 2 & 4) dependent family members, a deduction of 1/3rd toward personal and living expenses was correctly applied. However, the Tribunal fell into patent error in three critical aspects:
 - (1) Application of Incorrect Multiplier: The Tribunal applied a multiplier of 7. However, since the deceased was aged 60 years, 5 months and 15 days at the time of the fatal accident, meaning he had not completed his 61st year, the correct and applicable multiplier under the framework of **Sarla Verma** (supra) is 9, not 7.
 - (2) Since the deceased was a salaried person, there will be a statutory income tax deduction as per the tax slab for the relevant period.
 - (3) Inadequate Sum Under Conventional Heads: The Tribunal awarded a meager amount of ₹77,000/- under conventional heads. In accordance with settled jurisprudence (including **National Insurance Company Ltd. v. Pranay Sethi ((2017)**

16 SCC 680) and subsequent judicial enhancements for inflation and spousal/parental/filial consortium), this figure deserves enhancement to ₹2,09,000/- to comprehensively cover Loss of Estate, Funeral Expenses, and Loss of Consortium for each dependent. Consequently, the impugned award warrants suitable modification to rectify the multiplier, tax deduction and enhance the conventional heads in the interest of justice.

8. Thus, taking the monthly income of the deceased as Rs. 49,557/- (as per Ex.A-31), i.e. Rs. 5,94,684/- per annum. The deceased was salaried person so considering the age of the deceased i.e. 60 years, 5 months and 15 days as per **National Insurance Company Ltd., Vs. Pranay Sethi and Others, (2017) 16 SCC 680**, no future prospects would be applicable for this age; therefore, the annual income of the deceased comes to Rs. 5,94,684/- itself.
9. From the annual income of the deceased, there will be statutory deduction towards income tax. The income tax slab for the financial year 2022-2023 was as follows:

Income Tax Slabs in the FY 2022-2023	Income Tax Rates	Taxable Income	Total Tax
Upto 2.5 lakh	nill	Rs. 2,50,000/-	nill
2,50,001 to 5 lakh	5%	Rs. 2,50,000/-	Rs. 12,500/-
5,00,001 to 10 lakh	20%	Rs. 94,684/-	Rs. 18,937/-
	Total	Rs. 5,94,684/-	Rs. 31,437/-
Education Cess	4% of total tax	Rs. 31,437/-	Rs. 1,257/-
Total Tax			Rs. 32,694/-

10. In view of the above, after deduction of income tax, the annual income comes to Rs.5,61,990/- (5,94,684-32,694).
11. Accordingly, in light of the aforesaid discussion and in light of the judgments of the Supreme Court rendered in the matters of **Pranay Sethi** (supra), **Sarla Verma** (supra) and **Magma General Insurance Co. Ltd. v. Nanu Ram @ Chuhru Ram &**

Ors¹, this Court is computing the compensation as below:-

Sr. No.	Heads	Compensation awarded by this Court
1	Income	Rs. 49,557 x 12 = 5,94,684/-
	Tax deduction	Rs. 5,94,684-32,694 = 5,61,990/-
2	Deduction towards personal expenses	(-) 1/3 (i.e. 1,87,330) = 3,74,660/-
3	Multiplier	(x) 9 = 33,71,940/-
4	Other conventional heads	Rs. 2,09,000/- [16,500+16,500+(44,000x4)]
	Total	Rs. 35,80,940/-

- 12.** In view of the aforesaid analysis, the amount of compensation of Rs.28,52,192/- awarded by the Claims Tribunal is enhanced to Rs.35,80,940/-. Hence, after deducting the amount of Rs.28,52,192/-, the appellants/claimants are held entitled for an additional amount of **Rs.7,28,748/-**. The additional amount of compensation shall carry interest @ 6% per annum from the date of filing of the claim application before the Claims Tribunal till its realization. Rest of the conditions of the impugned award shall remain intact.
- 13.** In the result, the appeal is **partly allowed** and the impugned award is modified to the extent as indicated herein-above.
- 14.** The Registry is directed to communicate the claimants in writing “the enhanced amount” in this appeal as against the award made by the concerned Tribunal. The said communication be made in Hindi Deonagri language and the help of paralegal workers may be availed with a co-ordination of Secretary, Legal Aid of the concerned area wherein the claimants resides.

Sd/-
(Sanjay Kumar Jaiswal)
Judge

H.L. Sahu

1 (2018) 18 SCC 130