

IN THE HIGH COURT OF HIMACHAL PRADESH, SHIMLA.

FAO No. 460 of 2018

Decided on: 18.09.2026

Shriram General Ins. Co. Limited appellant

Versus

Rajinder Kumar and others

.....respondent

Coram:

Hon'ble Mr. Justice Bipin Chander Negi, Judge

Whether approved for reporting? ¹

For the appellant : Mr. Jagdish Thakur, Advocate.

For the respondents : Mr. K.S. Thakur, Advocate, for
respondents No. 1 to 3.

: None for respondent No.4.

Bipin Chander Negi, Judge (oral)

By way of the present appeal, challenge has been laid to the award dated 30.10.2017, passed by the Motor Accidents Claims Tribunal-IV, Shimla, H.P., whereby the claim petition preferred by present respondents No. 1 to 3 has been allowed. The grievance of the appellant, in the case at hand, is only limited to the issue of quantum of compensation awarded by the learned Motor Accidents Claims Tribunal-IV, Shimla.

2. At the very outset, attention of this Court is invited to the detail of claimants. The claimants, in the case at hand, are two daughters and one son of the deceased. In the aforesaid backdrop, attention of this Court is invited to paragraph 34 of the award, wherein a deduction of 1/4th towards personal expenses of the deceased (loss

¹ Whether the reporters of the local papers may be allowed to see the judgment?

of dependency) has been made by the learned Motor Accidents Claims Tribunal-IV, Shimla.

3. In this respect, attention of the Court has been invited to the judgment of the Apex Court in ***Sarla Verma (SMT) and others vs. Delhi Transport Corporation and another, (2009) 6 SCC 121***, wherein it has been held that where the number of dependents happens to be 2 to 3, then the deduction towards personal and living expenses of the deceased (loss of dependency) should be 1/3rd. The aforesaid view has been reiterated by the Apex Court in ***National Insurance Company Limited vs. Pranay Sethi and others, (2017) 16 SCC 680***.

4. Other than the aforesaid, in paragraph 34 of the impugned judgment, attention of this Court has been invited to the amount awarded insofar as funeral expenses are concerned. In the impugned award, Rupees 25,000/- has been awarded on this account. Based on the judgment passed by the Apex Court in ***National Insurance Company Limited vs. Pranay Sethi, (2017) 16 SCC 680***, it is contended that on this account, a maximum of Rupees 15,000/- could have been awarded.

5. Besides the aforesaid, it is pointed out that on account of loss of consortium, a maximum amount of Rupees 40,000/- can be awarded (in terms of *Pranay Sethi, supra*), whereas in the impugned award, an amount of Rupees 1,00,000/- has been awarded. No other contention has been raised on behalf of the appellant.

6. Heard counsel for the parties, perused the impugned judgment and the record. Learned counsel appearing on behalf of the

respondents/claimants fairly concedes to the aforesaid legal position as put forth by the counsel for the appellant.

7. The monthly income of the deceased in the case at hand has been correctly ascertained at Rupees 17,838/-. Since in the case at hand, the deceased is survived by three claimants (two daughters and one son), hence, loss of dependency, in terms of the law laid down in *Sarla Verma, supra*, as followed in *Pranay Sethi, supra*, should have been $\frac{1}{3}^{\text{rd}}$ and not $\frac{1}{4}^{\text{th}}$. $\frac{1}{3}^{\text{rd}}$ of Rupees 17,838/- amounts to Rupees 5,980/-. On deducting the same from Rupees 17,838/-, one arrives at a figure of Rupees 11,858/-. Applying the multiplier of 11, as has been correctly applied by the MACT, the figure on account of loss of monthly income works out to Rupees 15,65,256/-.

8. In terms of the law laid down in *Pranay Sethi, supra*, the claimants in the case at hand, on account of funeral expenses, would only be entitled to Rupees 15,000/-. Besides, loss of consortium would only entail Rupees 40,000/- and not Rupees 1,00,000/- as has been awarded by the Motor Accidents Claims Tribunal. Keeping in view the deductions made *supra*, in my considered view, the claimants would be entitled to loss of estate at Rupees 15,000/- in terms of *Pranay Sethi, supra*.

9. In view of the above discussion, the appeal is partly allowed and the respondents 1 to 3/ claimants are held entitled to Rupees 15,65,256/- on account of loss of monthly income, Rupees 15,000/- on account of funeral expenses, Rupees 40,000/- for loss of consortium and Rupees 15,000/- due to loss of estate. In the aforesaid terms, the award passed by the MACT is modified.

Pending miscellaneous applications, if any, also stand disposed of.

(Bipin Chander Negi)
Judge

18th September, 2026
(Tarun Singh)