



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

FAO-4570-2015 (O&M)
Date of decision: 04.09.2024

Ompati and others

...Appellants

Versus

Rajpal and others

...Respondents

CORAM: HON'BLE MR. JUSTICE VIKAS BAHL

Present: Mr. Saurabh Dalal, Advocate
for the appellants.

Mr. Sanjeev Kodan, Advocate
for respondent no.3-insurance company.

VIKAS BAHL, J. (ORAL)

1. The mother and two brothers of Kitab Singh have filed the present appeal for modification of the award dated 23.09.2014 arising from MACT case no.30 of 2012 with respect to the death of Kitab Singh in a motor vehicular accident which took place on 17.06.2012. A prayer has been made for enhancement of the compensation awarded, which is to the tune of Rs.2,30,000/-.

2. Learned counsel for the appellants has submitted that in the present case, future prospects have not been granted by the Tribunal and future prospects to the extent of 40% of the income of the deceased are to be granted to the claimants. It is submitted that even the multiplier which has been applied is 5 whereas the multiplier of 17 is to be applied as the age of the deceased was 30 years at the time of death and that an amount of



Rs.1,44,000/- (Rs.48,000/- x 3) is also to be awarded on account of loss of consortium which has not been granted. It is submitted that the enhanced amount of compensation be paid to the appellants with interest at the rate of 9% per annum from the date of filing of the claim petition till its realisation. In support of his arguments, learned counsel for the appellants has relied upon the law laid down by the Hon'ble Supreme Court in cases titled as **Sarla Verma (Smt.) and others Vs. Delhi Transport Corporation and another** reported as **(2009) 6 SCC 121**, **National Insurance Company Limited Vs. Pranay Sethi and others** reported as **(2017) 16 SCC 680**, and **Magma General Insurance Company Limited Vs. Nanu Ram alias Chuhru Ram and others** reported as **(2018) 18 SCC 130**.

3. Learned counsel for the Insurance Company, on the other hand, has submitted that in the present case, the funeral expenses and the amount of love and affection which has been granted by the Motor Accident Claims Tribunal is Rs.25,000/- on each of the two counts respectively whereas as per the settled law, at best, the amount that can be awarded on account of funeral expenses and loss of estate is Rs.18,000/- each and thus, the amount deserves to be decreased from Rs.50,000/- to Rs.36,000. It is submitted that the interest claimed by the appellants is highly excessive and at best the interest at the rate of 6% per annum can be granted.

4. Learned counsel for the appellants, in rebuttal, after taking into consideration the objections raised by the learned counsel for the Insurance Company, has submitted a revised chart which is reproduced hereinbelow:-

	<i>"D.O.A.</i>	-	<i>17.06.2012.</i>
<i>Para -23</i>	<i>Deceased</i>	-	<i>Kitab Singh – Unmarried.</i>



	Claimants	-	1. Mother, 2. Brother]] Major 3. Brother]
Para -26	Age	-	30 years
	<u>MACT Award</u>		
	Income	-	Rs.6000/-
	Deduction	-	1/2
	Multiplier	-	5 – According to the age of mother
	Dependency:-	3000 x 12 x 5	= 1,80,000/-
	Funeral expenses		= 25,000/-
	Love and Affection		= 25,000/-

	Total		= <u>2,30,000/-</u>
	<u>Compensation would be :-</u>		
	Income		= 6,000/-
	Future prospects @ 40% =2400		= 8400/-
	Deduction =1/2		= 4200/-
	Multiplier		= 17
	Dependency		= 8,56,800/=
	Consortium = 48000 x 3		= 1,44,000/-
	Funeral expenses		= 18,000/-
	Loss of estate		= 18,000/-

	Total		= 10,36,800/-
	MACT		= 2,30,000/-

	Difference		= 8,06,800/- + interest”

5. This Court has heard learned counsel for the parties and has perused the paper book and has also considered the said revised chart and the same has been found to be in accordance with law.



6. Hon'ble the Supreme Court in para 42 of **Sarla Verma's case** (Supra) had observed as under:-

*"We therefore hold that the multiplier to be used should be as mentioned in column (4) of the Table above (prepared by applying Susamma Thomas, Trilok Chandra and Charlie), which starts with an operative multiplier of 18 (for the age groups of 15 to 20 and 21 to 25 years), reduced by one unit for every five years, that is **M-17 for 26 to 30 years**, M-16 for 31 to 35 years, M-15 for 36 to 40 years, M-14 for 41 to 45 years, and M-13 for 46 to 50 years, then reduced by two units for every five years, that is, M-11 for 51 to 55 years, M-9 for 56 to 60 years, M-7 for 61 to 65 years and M-5 for 66 to 70 years."*

A perusal of the above would show that for the age of 30 years, multiplier of 17 is to be applied.

7. The Hon'ble Supreme Court in **Pranay Sethi's case** (Supra), has held as under:-

"59. In view of the aforesaid analysis, we proceed to record our conclusions:-

59.1 The two-Judge Bench in Santosh Devi should have been well advised to refer the matter to a larger Bench as it was taking a different view than what has been stated in Sarla Verma, a judgment by a coordinate Bench. It is because a coordinate Bench of the same strength cannot take a contrary view than what has been held by another coordinate Bench.

59.2 As Rajesh has not taken note of the decision in Reshma Kumari, which was delivered at earlier point of time, the decision in Rajesh is not a binding precedent.

59.3 While determining the income, an addition of 50% of actual salary to the income of the deceased towards future prospects, where the deceased had a permanent job and was



below the age of 40 years, should be made. The addition should be 30%, if the age of the deceased was between 40 to 50 years. In case the deceased was between the age of 50 to 60 years, the addition should be 15%. Actual salary should be read as actual salary less tax.

59.4 In case the deceased was self-employed or on a fixed salary, an addition of 40% of the established income should be the warrant where the deceased was below the age of 40 years. An addition of 25% where the deceased was between the age of 40 to 50 years and 10% where the deceased was between the age of 50 to 60 years should be regarded as the necessary method of computation. The established income means the income minus the tax component.

59.5 For determination of the multiplicand, the deduction for personal and living expenses, the tribunals and the courts shall be guided by paragraphs 30 to 32 of Sarla Verma which we have reproduced hereinbefore.

59.6 The selection of multiplier shall be as indicated in the Table in Sarla Verma read with paragraph 42 of that judgment.

59.7 The age of the deceased should be the basis for applying the multiplier.

59.8 Reasonable figures on conventional heads, namely, loss of estate, loss of consortium and funeral expenses should be Rs. 15,000/-, Rs. 40,000/- and Rs. 15,000/- respectively. The aforesaid amounts should be enhanced at the rate of 10% in every three years.

60. The reference is answered accordingly. Matters be placed before the appropriate Bench.”

A perusal of the above judgment would show that it was observed by the Hon’ble Supreme Court that addition of some percentage of the actual salary to the income of the deceased towards future prospects was



also required to be taken into consideration and the said percentage was specifically defined with respect to persons who were having a permanent job or/were self-employed or on a fixed salary. The chart as reproduced in para 42 of the judgment of **Sarla Verma's case** (Supra) was approved and a total amount of Rs.70,000/- on conventional heads namely loss of estate, loss of consortium or funeral expenses was also mentioned which required to be enhanced at the rate of 10% in every three years.

8. The Hon'ble Supreme Court in **Magma General Insurance Company Limited's case (Supra)** had further observed that in death case, under the head of loss of consortium, the parents of the deceased are entitled to be awarded loss of consortium under the head of filial consortium, children are entitled to parental consortium. To the widow, spousal consortium is to be given. Relevant portion of the said judgment is reproduced hereinbelow:-

“21. A Constitution Bench of this Court in Pranay Sethi dealt with the various heads under which compensation is to be awarded in a death case. One of these heads is Loss of Consortium. In legal parlance, “consortium” is a compendious term which encompasses ‘spousal consortium’, ‘parental consortium’, and ‘filial consortium’. The right to consortium would include the company, care, help, comfort, guidance, solace and affection of the deceased, which is a loss to his family. With respect to a spouse, it would include sexual relations with the deceased spouse.

21.1 Spousal consortium is generally defined as rights pertaining to the relationship of a husband wife which allows compensation to the surviving spouse for loss of “company, society, co-operation, affection, and aid of the other in every



conjugal relation.”

21.2 Parental consortium is granted to the child upon the premature death of a parent, for loss of “parental aid, protection, affection, society, discipline, guidance and training.”

21.3 Filial consortium is the right of the parents to compensation in the case of an accidental death of a child. An accident leading to the death of a child causes great shock and agony to the parents and family of the deceased. The greatest agony for a parent is to lose their child during their lifetime. Children are valued for their love, affection, companionship and their role in the family unit.

22. Consortium is a special prism reflecting changing norms about the status and worth of actual relationships. Modern jurisdictions world over have recognized that the value of a child’s consortium far exceeds the economic value of the compensation awarded in the case of the death of a child. Most jurisdictions therefore permit parents to be awarded compensation under loss of consortium on the death of a child. The amount awarded to the parents is a compensation for loss of the love, affection, care and companionship of the deceased child.

23. The Motor Vehicles Act is a beneficial legislation aimed at providing relief to the victims or their families, in cases of genuine claims. In case where a parent has lost their minor child, or unmarried son or daughter, the parents are entitled to be awarded loss of consortium under the head of Filial Consortium. Parental Consortium is awarded to children who lose their parents in motor vehicle accidents under the Act. A few High Courts have awarded compensation on this count 5. However, there was no clarity with respect to the principles on which compensation could be awarded on loss of Filial Consortium.



24. The amount of compensation to be awarded as consortium will be governed by the principles of awarding compensation under 'Loss of Consortium' as laid down in Pranay Sethi (supra). In the present case, we deem it appropriate to award the father and the sister of the deceased, an amount of Rs.40,000 each for loss of Filial Consortium."

In the above said judgment, an amount of Rs.40,000/- each was awarded to the father and sister of the deceased and thus, the amount of consortium awarded was made dependent upon the number of claimants/legal representatives.

9. A perusal of the revised chart submitted by learned counsel for the appellants would show that all the entries in the same are in accordance with law inasmuch as the amount of Rs.1,44,000/- on account of loss of consortium has been correctly added and even the multiplier of 17 is required to be applied in the present case as the age of the deceased was 30 years and the Tribunal has wrongly applied the multiplier of 5. The Tribunal had not granted any benefit with respect to future prospects and on the said count, addition of 40% income on account of future prospects has been rightly mentioned in the revised chart. The amount of funeral expenses and loss of estate have been correctly decreased in view of the objection taken by the learned counsel for the insurance company. Thus, accordingly, an additional amount of Rs.8,06,800/- is to be granted to the appellants-claimants. With respect to the rate of interest, this Court is consistently awarding the rate of interest at the rate of 7.5% per annum, which rate of interest is also reasonable in the present case.



10. Accordingly, the present appeal is partly allowed and the respondent no.3-insurance company is directed to pay an amount of Rs.8,06,800/- to the present appellants along with interest at the rate of 7.5% from the date of filing of the claim petition till its realisation in the same proportion as decided by the Tribunal within a period of six weeks from today.

(VIKAS BAHL)
JUDGE

September 04, 2024
Davinder Kumar

Whether speaking/reasoned:-	Yes/No
Whether reportable:-	Yes/No