

IN THE HIGH COURT OF JUDICATURE AT PATNA
Miscellaneous Appeal No.1188 of 2016

1. Manju Devi Wife of Late Baliram Singh @ Purnawasi Singh R/o Village- Chitauli, P.S.- Sasaram, District- Rohtas.
2. Pinki Kumari, Daughter of Late Baliram Singh @ Purnawasi Singh R/o Village- Chitauli, P.S.- Sasaram, District- Rohtas, under the guardianship of Manju Devi, Mother and Natural Guardian.
3. Batar Kumar, Son of Late Baliram Singh @ Purnawasi Singh R/o Village- Chitauli, P.S.- Sasaram, District- Rohtas, under the guardianship of Manju Devi, Mother and Natural Guardian.
4. Muni Kumari, Daughter of Late Baliram Singh @ Purnawasi Singh R/o Village- Chitauli, P.S.- Sasaram, District- Rohtas, under the guardianship of Manju Devi, Mother and Natural Guardian.

... .. Appellants

Versus

1. United India Insurance Company Ltd. through its Branch Manager, nearest Branch Office, G.T. Road, Sasaram, District- Rohtas, (Insurer of the vehicle).
2. Smt. Urmila Devi, Wife of Jai Prakash Singh R/o Village Jagdishpur, P.S.- Dinara, District- Rohtas, (Owner of Vehicle).

... .. Respondents

Appearance :

For the Appellant/s : Mr. Siddharth Harsh, Advocate.
For the Respondent/ No.1 : Mr. Ashok Priyadarshi, Advocate.

CORAM: HONOURABLE MR. JUSTICE JITENDRA KUMAR
CAV JUDGMENT

Date : 11-11-2025

The present Miscellaneous Appeal under Section 173 of the Motor Vehicles Act has been preferred by the Appellants, who were Claimants before the Motor Vehicles Accident Claim Tribunal, against the judgment/Award dated 18.01.2016 passed by learned District Judge-cum-Motor Vehicles Accident Claim Tribunal, Rohtas at Sasaram, in M.V. Claim Case No. 96 of 2013 whereby learned Tribunal has awarded total compensation of Rs.05,01,500/- along with interest @ 9 % per annum from the date of filing of the Claim Case till its payment. The compensation has been directed to be paid by the insurance



company/Respondent No.1 herein to the Claimants/Appellants herein. The share of the minor Claimants - Claimant Nos. 2, 3 and 4/Appellant Nos. 2, 3 and 4 herein have been directed to be deposited in a nationalized Bank under the Fixed Term Deposit Scheme, payable to them on their attaining majority.

2. The Claim Case was filed by the Appellants before the Motor Accident Claims Tribunal, on account of death of one Baliram Singh @ Purnawashi Singh in a Motor Accident. The Appellant No. 1, Manju Devi/ Claimant No. 1 is widow of the deceased Baliram Singh @ Purnawashi Singh, whereas Appellant Nos. 2, 3 and 4/Claimant Nos. 2, 3 and 4 are daughters and son of the deceased.

3. Being dissatisfied with the quantum of the compensation, the Claimants have filed the present Appeal seeking higher compensation than what has been granted by learned Motor Accident Claims Tribunal, Rohtas at Sasaram.

4. The facts of the case are that the Claimants, who are Appellants herein, filed the M.V. Claim Case No. 96 of 2013 for compensation of Rs.22,00,000/- against Urmila Devi who is the owner of the offending Bolaro vehicle bearing Registration No. UP67K/6747, Engine No. GHD4A63164, Chassis No. D5B47258 and she is Respondent No. 2 herein. The Insurance



Company who is Respondent No. 1 herein was also impleaded as Opposite Party No. 2 before the Tribunal.

5. As per the case of the Claimants/Appellants, deceased Baliram Singh @ Purnawashi Singh was going to Sonebarsha from his house by Hero Honda Passion Pro Motorcycle along with his uncle namely, Chandrama Singh. When they reached near village Parmanpur on N.H. 30 at around 7:45 A.M., one Bolero vehicle, bearing no registration number and being driven rashly and negligently by its driver, coming from the side of Arrah, dashed the Motorcycle. Consequently, both the riders fell down on the ground and sustained grievous injuries. The said Baliram Singh @ Purnawashi Singh succumbed to his injury and Nawanagar P.S. Case No. 163 of 2013 was instituted on the basis of Fardbeyan of co-rider Chandrama Singh, under Sections 279, 337, 338 and 427 of the Indian Penal Code. The postmortem of the deceased was conducted by Dr. Ganga Shankar Prasad, Medical Officer, Sadar Hospital, Sasaram. After investigation, charge sheet was submitted against the driver of the Bolero vehicle namely, Akhilesh Kumar Singh for the offences punishable under Sections 279, 337, 338, 427 and 304(A) of the Indian Penal Code.



6. Further case of the Claimants/Appellants is that the deceased Baliram Singh @ Purnawashi Singh was aged about 29 years at the time of the accident and he was working in a Private Company at Daman earning Rs.15,000/- per month as salary. It has been also claimed by the Claimants/Appellants that the deceased was sole earning member of his family and he used to maintain Claimants/Appellants from his earning. It has been also claimed that the offending vehicle was insured with the Respondent No. 1/Insurance Company at the time of the accident. The owner of the offending vehicle as well as the Insurance Company were impleaded as Opposite Parties before the Tribunal. On notice, the Opposite Parties, who are Respondents herein, appeared before the Tribunal and contested the claim petition filed by the Claimants/Appellants.

7. Opposite Party No. 1/Respondent No. 2 herein, Smt. Urmila Devi filed her written statement claiming that the Claim petition was not maintainable and the Claimants had no valid cause of action to file the Claim Petition against her and her Bolero vehicle was falsely named in Nawanagar P.S. Case No. 163 of 2013. She had claimed that as a matter of fact, no accident was caused by her Bolero vehicle on the date, time and place as claimed by the Claimants/Appellants. She has further



claimed that, as a matter of fact, the accident had taken place due to rash and negligent driving of the Motorcycle by the deceased himself, whereas her driver was driving her Bolero vehicle carefully in a balanced manner and in a right direction and he had no way contributed to the occurrence of the accident. She has also claimed that even the age of the deceased as claimed by the Claimants/Appellants is wrong. She has also denied that the deceased was working in a Private firm and earning Rs.15,000/- per month. However, she has admitted that she is owner of the Bolero Vehicle bearing Registration No. UP67K/6747, but she has claimed that her vehicle was insured with United India Insurance Company which was Opposite Party No. 2 before the Tribunal. The Insurance Company is also Respondent No.1 herein. She has also claimed that her driver Akhilesh Kumar Singh was having valid driving license at the time of the accident. Hence, she has denied any liability to pay compensation to the Claimants/Appellants.

8. Insurance Company/Opposite Party No. 2/Appellant No. 1 herein also contested the Claim Petition by filing its written statement claiming that the Claim Petition was not maintainable - both on facts and in law. It has also denied involvement of the Bolero vehicle in the accident, submitting



that the FIR of Nawanagar P.S. Case No. 163 of 2013 was instituted against unknown driver of un-numbered Bolero. It has also claimed that the deceased has died due to his own rash and negligent driving of the motorcycle which he has riding. It has also denied that the driver of the Bolero vehicle was driving in rash and negligent manner. It has also disputed the age, income and vocation of the deceased as claimed by the Claimants. However, it has admitted that the said Bolero vehicle belonging to Smt. Urmila Devi was insured by it at the relevant time of the accident. The insurance policy issued by it was valid and effective from 20.02.2013 to 17.02.2014, subject to some limitations, conditions and exceptions as laid down in the policy. It has also claimed that the driver of the Bolero vehicle was however not holding any valid and effective driving license at the time of the accident to drive the said vehicle. It has been claimed that the driving license of the driver of the Bolero vehicle was forged, fake and the same was never issued by the D.T.O., Sasaram. Hence, on account of breach of terms and conditions of the Policy, it is not liable to pay any compensation to the Claimants/Appellants.

9. On the basis of the pleadings of the parties, the following issues have been framed by learned Tribunal :

“I. Whether claim petition is legally maintainable ?



II. Whether Baliram Singh alias Purnwashi Singh was dashed by Bolero bearing registration No.UP67K/6747 Engine No.GHD4A63164 Chassis No.D5B47258 on 13.07.2013 at around 7.45 A.M near village Parmanpur on N.H.30 coming from east side being rashly and negligently driven by its driver and resultantly he had died during course of treatment ?

III. Whether the claimants are entitled to get any compensation, if so, to what amount and from whom ?

IV. Whether the claimants are entitled to get any other relief or reliefs ?”

10. During trial, the Claimants/Appellants have examined three witnesses : P.W.-1 - Manju Devi who is Claimant No. 1 herself, P.W. 2 - Sriniwas Singh and P.W.-3 - Krishna Singh.

11. Claimants have also brought on record the following documents :- Ext. 1 - Salary Certificate of the deceased, Ext. 2 - Certified copy of the FIR of Nawanagar P.S. Case No. 163 of 2013 and Ext. 3 – Certified copy of charge-sheet No. 232 of 2013.

12. However, no witness was examined on behalf of the owner of the vehicle, nor any documentary evidence was adduced by her. However, the Insurance Company has examined one witness, Ravi Kumar Sinha as D.W.-1 and he has also brought on record the following documents:-

Ext. A - Investigation Report, **Ext. A/1** - Statement of Claimant Manju Devi, wife of the deceased Baliram Singh @ Purnawashi Singh, **Ext. A/2** - Certificate of Mukhia of Gram



Panchayat Samardiha, Block Sasaram (Rohtas), **Ext. A/3** - Photocopy of ration card of the deceased Baliram Singh @ Purnawashi Singh, **Ext. A/4** - Photostat copy of the marks sheet of Bihar School Examination Board of the deceased Baliram Singh @ Purnawashi Singh and **Ext. B** - Certified copy of certificate of Insurance Company.

13. After trial, learned Tribunal found that Motor Accident took place involving Motorcycle of the deceased Baliram Singh @ Purnawashi Singh and Bolero vehicle bearing registration No. UP67K/6747 on 13.07.2013 at 7:45 AM near village Parmanpur on N.H. - 30 on account of rash and negligent driving of the Bolero vehicle by its driver, resulting into death of the deceased Baliram Singh @ Purnawashi Singh. Learned Tribunal has also found that the deceased Baliram Singh @ Purnawashi Singh was 30 years of age at the time of accident. However, it did not find that the deceased was working in Daman and getting salary of Rs.15,000/- per month. It was found that the deceased was basically a farmer at the time of the accident and he was holder of a BPL card. Learned Tribunal presumed notional income of the deceased @ Rs.30,000/- per annum. It has also allowed addition of 30 per cent of the income towards future prospects. On account of four dependents, 1/4th



of the income of the deceased was deducted towards his personal expenses. Learned Tribunal also applied multiplier of 18. It has also granted Rs.25,000/- under conventional heads i.e. funeral expenses, loss of estate and loss of consortium etc. and hence, total compensation of Rs.5,51,500/- was calculated, out of which, Rs.50,000/- was already paid to the Claimants as ad-interim compensation under Section 140 of the M.V. Act.

14. Learned Tribunal has also found that the offending Bolero vehicle was insured by the Insurance Company who is Respondent No. 1 herein at the time of accident. It has also found that the driver of the vehicle was holding valid driving license at the time of the accident and, hence, the insurance company was found to be liable to indemnify the owner of the offending vehicle. The Claim Petition was also found to be maintainable on account of valid cause of action.

15. No appeal or cross-appeal has been filed, either by Respondent No.1/Insurance Company or owner of the offending vehicle. The present appeal has been preferred on behalf of the Claimants/Appellants herein for enhancement of the total compensation as awarded by learned Tribunal.

16. I heard learned counsel for the Appellants/Claimants and learned counsel for the Respondent



No. 1. However, nobody is present on behalf of Respondent No. 2/owner of the offending vehicle, despite valid service of notice.

17. Learned counsel for the Appellants submits that despite sufficient evidence in support of monthly income of the deceased, Baliram Singh @ Purnawashi Singh @ Rs. 15,000/- per month, learned Tribunal has erroneously found that the Appellants/Claimants could not prove any income of the deceased and hence, learned Tribunal presumed the notional income of the deceased @ Rs. 30,000/- per annum.

18. Learned counsel for the Appellants further submits that learned Tribunal has also committed error regarding addition to the income of the deceased towards future prospect. Even compensation under the conventional heads have not been properly granted. Hence, the impugned judgment should be modified by enhancing the total compensation amount payable to the Appellants/Claimants by the Insurance Company, who is insurer of the insured/owner of the offending vehicle.

19. However, learned counsel for Respondent No. 1/Insurance Company submits that there is no illegality or infirmity committed in the impugned judgment/award and the appeal is liable to be dismissed.



The points for determination by this Court

20. In view of rival submissions of the parties, the following points arise for determination by this Court.

(i) Whether the claimants, who are appellants herein, have failed to prove the income of the deceased, Baliram Singh @ Purnawashi Singh ?

(ii) Whether the appellants are entitled to get enhancement of the total compensation as awarded by learned Tribunal payable to the appellants by Respondent No. 1/Insurance Company ?

21. I considered the submissions advanced by both the parties and perused the materials on record, including Trial Court's record. My point-wise findings are as follows :

Point No. 1

**Finding in regard to income of the deceased,
Baliram Singh @ Purnawashi Singh**

22. I find that three witnesses viz., Manju Devi, Srinivas Singh and Krishna Singh have been examined by the Claimants/Appellants herein in support of the claim petition. **A.W. -1, Manju Devi**/wife of deceased Baliram Singh @ Purnawashi Singh has clearly deposed in her **examination-in-chief** that her husband was employed in a private company/ Smit Plastic, Mahavir Industrial Developers, Daman, getting salary of Rs. 15,000/- per month. Even in her **cross-examination**, she has reiterated her statement that her husband



was working as supervisor in the company, situated in Daman, though she has stated that at the time of accident, he was doing agricultural work.

23. A.W. -2, Srinivas Singh, is not a family member of the deceased, Baliram Singh @ Purnawashi Singh. He was a co-worker, working with the deceased, Baliram Singh @ Purnawashi Singh in the company, situated in Daman. He was even a room partner of the deceased in Daman. He has further deposed that in March, 2013, he along with the deceased had come to their home and the accident took place subsequently. He has also deposed that the deceased/Baliram Singh @ Purnawashi Singh was getting salary of Rs. 15,000/- per month from the company.

24. A.W. -3, Krishna Singh, who is brother of the deceased, has even proved the salary slip of the deceased/Baliram Singh @ Purnawashi Singh. Salary slip has been exhibited as Ext. 1, showing the deceased getting salary of Rs. 15,000/- per month from Smit Plastic company, situated in Daman where the deceased was working as a Line Supervisor.

25. As such, I find that finding of learned Tribunal that the Claimants/Appellants have failed to prove the income of the deceased is erroneous. This is against the evidence on



record. Hence, I find that the deceased, Baliram Singh @ Purnawashi Singh was having monthly income of Rs. 15,000/- per month at the time of accident.

26. Here it would be pertinent to point out that a proceeding arising out of a claim petition for compensation in regard to motor accident is neither a suit nor an adversarial lis in the traditional sense. Even the rules of pleadings do not strictly apply in such proceeding and tribunal is required to follow a summary procedure as it deems fit. Moreover, the standard of proof applicable in such proceeding is “preponderance of probability” and not “proof beyond all reasonable doubt” as followed in criminal cases. It is also well settled that in motor accident claim cases, once foundational fact, namely the actual occurrence of the accident, has been established, the role of the tribunal is only to calculate the quantum of just compensation, if the accident has taken place by reasons of the negligence of the driver of the motor vehicle, and while doing so, the tribunal is not strictly bound by the pleadings of the parties. Here one may refer to the following judicial precedents: (i) **United India Insurance Co. Ltd. Vs. Shila Datta & Ors.**, (2011) 10 SCC 509, (ii) **Kusum Lata and Ors. Vs. Satbir**, (2011) 3 SCC 646, (iii) **Sunita & Ors. Vs. Rajasthan State Road Transport**



Corporation, (2020) 13 SCC 486, (iv) Rajwati @ Rajjo Vs. United India Insurance Company Ltd., 2022 SCC OnLine SC 1699.

27. In Rajwati @ Rajjo case (supra), Hon'ble Supreme Court has held as follows:

“20. It is well settled that Motor Vehicles Act, 1988 is a beneficial piece of legislation and as such, while dealing with compensation cases, once the actual occurrence of the accident has been established, the Tribunal's role would be to award just and fair compensation. As held by this Court in Sunita (Supra) and Kusum Lata (Supra), strict rules of evidence as applicable in a criminal trial, are not applicable in motor accident compensation cases, i.e., to say, “the standard of proof to be borne in mind must be of preponderance of probability and not the strict standard of proof beyond all reasonable doubt which is followed in criminal cases”.

28. In Sunita and others case (supra), Hon'ble Supreme Court has further held as follows:

“22. It is thus well settled that in motor accident claim cases, once the foundational fact, namely, the actual occurrence of the accident, has been established, then the Tribunal's role would be to calculate the quantum of just compensation if the accident had taken place by reason of negligence of the driver of a motor vehicle and, while doing so, the Tribunal would not be strictly bound by the pleadings of the parties. Notably, while deciding cases arising out of motor vehicle accidents, the standard of proof to be borne in mind must be of preponderance of probability and not the strict standard of proof beyond all reasonable doubt which is followed in criminal cases.”

29. In Kusum Lata and Ors. Case (supra), Hon'ble Supreme Court has held as follows:

“9. It is well known that in a case relating to motor accident claims, the claimants are not required to



prove the case as it is required to be done in a criminal trial. The Court must keep this distinction in mind.”

30. In Shila Datta & Ors. Case (supra), Hon’ble

Supreme Court has held as follows:

“ Nature of a claim petition under the Motor Vehicles Act, 1988

10. A claim petition for compensation in regard to a motor accident (filed by the injured or in case of death, by the dependent family members) before the Motor Accidents Claims Tribunal constituted under Section 165 of the Act is neither a suit nor an adversarial lis in the traditional sense. It is a proceedings in terms of and regulated by the provisions of Chapter XII of the Act which is a complete code in itself. We may in this context refer to the following significant aspects in regard to the Tribunals and determination of compensation by the Tribunals:

(i) Proceedings for award of compensation in regard to a motor accident before the Tribunal can be initiated either on an application for compensation made by the persons aggrieved (the claimants) under Section 166(1) or Section 163-A of the Act or suo motu by the Tribunal, by treating any report of accident (forwarded to the Tribunal under Section 158(6) of the Act as an application for compensation under Section 166(4) of the Act).

(ii) The rules of pleadings do not strictly apply as the claimant is required to make an application in a form prescribed under the Act. In fact, there is no pleading where the proceedings are suo motu initiated by the Tribunal.

(iii) In a proceedings initiated suo motu by the Tribunal, the owner and driver are the respondents. The insurer is not a respondent, but a noticee under Section 149(2) of the Act. Where a claim petition is filed by the injured or by the legal representatives of a person dying in a motor accident, the driver and owner have to be impleaded as respondents. The claimants need not implead the insurer as a party. But they have the choice of impleading the insurer also as a party-respondent. When it is not impleaded as a party, the Tribunal is required to issue a notice under Section 149(2) of the Act. If the insurer is impleaded as a party, it is issued as a regular notice of the



proceedings.

(iv) The words “receipt of an application for compensation” in Section 168 refer not only to an application filed by the claimants claiming compensation but also to a suo motu registration of an application for compensation under Section 166(4) of the Act on the basis of a report of an accident under Section 158(6) of the Act.

(v) Though the Tribunal adjudicates on a claim and determines the compensation, it does not do so as in an adversarial litigation. On receipt of an application (either from the applicant or suo motu registration), the Tribunal gives notice to the insurer under Section 149(2) of the Act, gives an opportunity of being heard to the parties to the claim petition as also the insurer, holds an inquiry into the claim and makes an award determining the amount of compensation which appears to it to be just. (Vide Section 168 of the Act.)

(vi) The Tribunal is required to follow such summary procedure as it thinks fit. It may choose one or more persons possessing special knowledge of and matters relevant to inquiry, to assist it in holding the enquiry. (Vide Section 169 of the Act.)

(vii) The award of the Tribunal should specify the person(s) to whom compensation should be paid. It should also specify the amount which shall be paid by the insurer or owner or driver of the vehicle involved in the accident or by all or any of them. (Vide Section 168 of the Act.)

(viii) The Tribunal should deliver copies of the award to the parties concerned within 15 days from the date of the award. (Vide Section 168(2) of the Act.)

We have referred to the aforesaid provisions to show that an award by the Tribunal cannot be seen as an adversarial adjudication between the litigating parties to a dispute, but a statutory determination of compensation on the occurrence of an accident, after due enquiry, in accordance with the statute.”

Point No. 2

Enhancement of Total Compensation

31. Before I consider whether the Appellants
/Claimants are entitled to get enhancement of the total



compensation as awarded by learned Tribunal, it would be pertinent to discuss the law regarding just compensation which the claimants are entitled to get in view of statutory provisions of the Motor Vehicles Act.

Law Regarding Just Compensation In Case of Death

32. Sarla Verma Vs. DTC, (2009) 2 SCC 770 is a land mark judgment of Hon'ble Supreme Court in regard to assessment of compensation in cases of death. In this judgment, Hon'ble Supreme Court has laid down principles to provide uniformity and consistency in awarding compensation. The principles as laid down in **Sarla Verma Case** (supra) has been subsequently modified and improved by Hon'ble Apex Court in subsequent judgments which are as follows:

(i) Reshma Kumari Vs. Madan Mohan,

(2013) 9 SCC 65

(ii) Royal Sundram Alliance Insurance Co. Ltd. Vs.

Mandala Yadagari Goud, (2019) 5 SCC 554

(iii) National Insurance Co. Ltd. Vs. Pranay Sethi,

(2017) 16 SCC 680

(iv) Magma General Insurance Co. Ltd. Vs. Nanu

Ram, (2018) 18 SCC 130

33. All the aforesaid landmark judgments have



been referred to and discussed by Hon'ble Supreme Court in **United India Insurance Co. Ltd. Vs. Satinder Kaur, (2021) 11 SCC 780** providing complete prevailing law regarding assessment of compensation in cases of death arising out of Motor Vehicle Accident. The relevant paragraphs of the judgment read as follows:

“Relevant principles for assessment of compensation in cases of death as evolved by judicial dicta.

11. The criteria which are to be taken into consideration for assessing compensation in the case of death are : (i) the age of the deceased at the time of his death; (ii) the number of dependants left behind by the deceased; and (iii) the income of the deceased at the time of his death.

12. In **Sarla Verma v. DTC (2009) 6 SCC 121** this Court held that to arrive at the loss of dependency, the Tribunal ought to take into consideration three factors : (SCC p. 132, para 18)

(i) additions/deductions to be made for arriving at the income;

(ii) the deduction to be made towards the personal living expenses of the deceased; and

(iii) the multiplier to be applied with reference to the age of the deceased.

13. In order to provide uniformity and consistency in awarding compensation, the following steps are required to be followed : Sarla Verma case (2009) 6 SCC 121

“Step 1 (Ascertaining the multiplicand)

The income of the deceased per annum should be determined. Out of the said income a deduction should be made in regard to the amount which the deceased would have spent on himself by way of personal and living expenses. The balance, which is considered to be the contribution to the dependant family, constitutes the multiplicand.

Step 2 (Ascertaining the multiplier)



Having regard to the age of the deceased and period of active career, the appropriate multiplier should be selected. This does not mean ascertaining the number of years he would have lived or worked but for the accident. Having regard to several imponderables in life and economic factors, a Table of multipliers with reference to the age has been identified by this Court. The multiplier should be chosen from the said Table with reference to the age of the deceased.

Step 3 (Actual calculation)

The annual contribution to the family (multiplicand) when multiplied by such multiplier gives the “loss of dependency” to the family. Thereafter, a conventional amount in the range of Rs 5000 to Rs 10,000 may be added as loss of estate. Where the deceased is survived by his widow, another conventional amount in the range of 5000 to 10,000 should be added under the head of loss of consortium. But no amount is to be awarded under the head of pain, suffering or hardship caused to the legal heirs of the deceased.

The funeral expenses, cost of transportation of the body (if incurred) and cost of any medical treatment of the deceased before death (if incurred) should also added.”

(emphasis supplied)

(a) Deduction for personal and living expenses

14. The personal and living expenses of the deceased should be deducted from the income, to arrive at the contribution to the family. In Sarla Verma (2009) 6 SCC 121, this Court took the view that it was necessary to standardise the deductions to be made under the head personal and living expenses of the deceased. Accordingly, it was held that:

14.1. Where the deceased was married, the deduction towards personal and living expenses should be 1/3rd if the number of dependant family members is two to three.

14.2. 1/4th if the number of dependant family members is four to six.

14.3. 1/5th if the number of dependant family members exceeds six.

14.4. If the deceased was a bachelor, and the claim was filed by the parents, the deduction would normally be 50% as personal and living expenses of the bachelor. Subject to evidence to the contrary, the father was likely to have his own income, and would not be considered to be a



dependant. Hence, the mother alone will be considered to be a dependant. In the absence of any evidence to the contrary, brothers and sisters of the deceased bachelor would not be considered to be dependants, because they would usually either be independent and earning, or married, or dependant on the father. Thus, even if the deceased was survived by parents and siblings, only the mother would be considered to be a dependant. The deduction towards personal expenses of a bachelor would be 50%, and 50% would be the contribution to the family.

14.5. However, in a case where the family of the bachelor was large and dependant on the income of the deceased, as in a case where he had a widowed mother, and a large number of younger non-earning sisters or brothers, his personal and living expenses could be restricted to 1/3rd, and contribution to the family be taken as 2/3rd.

15. A three-Judge Bench in **Reshma Kumari v. Madan Mohan, (2013) 9 SCC 65** affirmed the standards fixed in *Sarla Verma*, (2009) 6 SCC 121 with respect to the deduction for personal and living expenses, and held that these standards must ordinarily be followed, unless a case for departure is made out. The Court held : *Reshma Kumari* case, (2013) 9 SCC 65 : paras 41-43)

“41. The above does provide guidance for the appropriate deduction for personal and living expenses. One must bear in mind that the proportion of a man's net earnings that he saves or spends exclusively for the maintenance of others does not form part of his living expenses but what he spends exclusively on himself does. The percentage of deduction on account of personal and living expenses may vary with reference to the number of dependant members in the family and the personal living expenses of the deceased need not exactly correspond to the number of dependants.

42. In our view, the standards fixed by this Court in *Sarla Verma* (2009) 6 SCC 121 on the aspect of deduction for personal living expenses in paras 30, 31 and 32 must ordinarily be followed unless a case for departure in the circumstances noted in the preceding para is made out.

43. In what we have discussed above, we sum up our conclusions as follows:

43.6. Insofar as deduction for personal and living expenses is concerned, it is directed that the Tribunals



shall ordinarily follow the standards prescribed in paras 30, 31 and 32 of the judgment in Sarla Verma 6 SCC 121 subject to the observations made by us in para 41 above.”
(emphasis supplied)

16. A Constitution Bench of this Court in **National Insurance Co. Ltd. v. Pranay Sethi (2017) 16 SCC 680** held that the standards fixed in Sarla Verma (2009) 6 SCC 121 would provide guidance for appropriate deduction towards personal and living expenses, and affirmed the conclusion in para 43.6 of Reshma Kumari (2013) 9 SCC 65.

(b) Determination of multiplier

17. With respect to the multiplier, the Court in Sarla Verma (2009) 6 SCC 121, prepared a chart for fixing the applicable multiplier in accordance with the age of the deceased, after considering the judgments in Kerala, SRTC v. Susamma Thomas (1994) 2 SCC 176 , U.P. SRTC v. Trilok Chandra (1996) 4 SCC 362] and New India Assurance Co. Ltd. v. Charlie, (2005) 10 SCC 720 : .

18. The relevant extract from the said chart i.e. Column 4 has been set out hereinbelow for ready reference:

Age of the deceased	Multiplier (Column 4)
Up to 15 years	-
15 to 20 years	18
21 to 25 years	18
26 to 30 years	17
31 to 35 years	16
36 to 40 years	15
41 to 45 years	14
46 to 50 years	13
51 to 55 years	11
56 to 60 years	9
61 to 65 years	7
Above 65 years	5

19. The Court in **Sarla Verma, (2009) 6 SCC 121**



held : (SCC p. 140, para 42)

“42. 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*, (1994) 2 SCC 176, *Trilok Chandra*, (1996) 4 SCC 362 and *New India Assurance Co. Ltd. v. Charlie*, (2005) 10 SCC 720, 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.”

(emphasis supplied)

20. In ***Reshma Kumari v. Madan Mohan*, (2013) 9 SCC 65**, this Court affirmed Column 4 of the chart prepared in *Sarla Verma v. DTC*, (2009) 6 SCC 121 , and held that this would provide uniformity and consistency in determining the multiplier to be applied. The Constitution Bench in ***National Insurance Co. Ltd. v. Pranay Sethi*, (2017) 16 SCC 680** affirmed the chart fixing the multiplier as expounded in *Sarla Verma v. DTC*, (2009) 6 SCC 121, and held : *National Insurance Co. Ltd. v. Pranay Sethi*, (2017) 16 SCC 680, paras 44 & 59)

“44. At this stage, we must immediately say that insofar as the aforesaid multiplicand/multiplier is concerned, it has to be accepted on the basis of income established by the legal representatives of the deceased. Future prospects are to be added to the sum on the percentage basis and “income” means actual income less the tax paid. The multiplier has already been fixed in *Sarla Verma v. DTC*, (2009) 6 SCC 121 which has been approved in *Reshma Kumari v. Madan Mohan*, (2013) 9 SCC 65 with which we concur.”

59.6. The selection of multiplier shall be as indicated in the Table in *Sarla Verma v. DTC*, (2009) 6 SCC 121 read with para 42 of that judgment.”

(emphasis supplied)

(c) Age of the deceased must be the basis for determining the multiplier even in case of a bachelor

21. In ***Sarla Verma v. DTC*, (2009) 6 SCC 121**, this



Court held that the multiplier should be determined with reference to the age of the deceased. This was subsequently affirmed in **Reshma Kumari v. Madan Mohan, (2013) 9 SCC 65**, and followed in a line of decisions. A three-Judge Bench in *Munna Lal Jain v. Vipin Kumar Sharma*, (2015) 6 SCC 347 held that the issue had been decided in *Reshma Kumari v. Madan Mohan*, (2013) 9 SCC 65, wherein this Court held that the multiplier must be with reference to the age of the deceased. The decision in *Munna Lal Jain v. Vipin Kumar Sharma*, (2015) 6 SCC 347 was followed by another three-Judge Bench of this Court in *Sube Singh v. Shyam Singh*, (2018) 3 SCC 18.

22. The Constitution Bench in **National Insurance Co. Ltd. v. Pranay Sethi, (2017) 16 SCC 680** affirmed the view taken in *Sarla Verma v. DTC*, (2009) 6 SCC 121 and *Reshma Kumari v. Madan Mohan*, (2013) 9 SCC 65, and held that the age of the deceased should be the basis for applying the multiplier.

23. Another three-Judge Bench in **Royal Sundaram Alliance Insurance Co. Ltd. v. Mandala Yadagari Goud, (2019) 5 SCC 554** traced out the law on this issue, and held that the compensation is to be computed based on what the deceased would have contributed to support the dependants. In the case of the death of a married person, it is an accepted norm that the age of the deceased would be taken into account. Thus, even in the case of a bachelor, the same principle must be applied.

24. The aforesaid legal position has recently been re-affirmed by this Court in **Sunita Tokas v. New India Insurance Co. Ltd., (2019) 20 SCC 688**.

(d) Future prospects

25. In the wake of increased inflation, rising consumer prices, and general standards of living, future prospects have to be taken into consideration, not only with respect to the status or educational qualifications of the deceased, but also other relevant factors such as higher salaries and perks which are being offered by private companies these days. The dearness allowance and perks from which the family would have derived monthly benefit, are required to be taken into consideration for determining the loss of dependency.

26. In **Sarla Verma [Sarla Verma v. DTC, (2009) 6**



SCC 121, this Court held : (SCC p. 134, para 24)

“24. In *Kerala SRTC v. Susamma Thomas*, (1994) 2 SCC 176, this Court increased the income by nearly 100%, in *Sarla Dixit v. Balwant Yadav*, (1996) 3 SCC 179], the income was increased only by 50% and in *Abati Bezbaruah v. Geological Survey of India*, (2003) 3 SCC 148 the income was increased by a mere 7%. In view of the imponderables and uncertainties, we are in favour of adopting as a rule of thumb, an addition of 50% of actual salary to the actual salary income of the deceased towards future prospects, where the deceased had a permanent job and was below 40 years. (Where the annual income is in the taxable range, the words “actual salary” should be read as “actual salary less tax”.) The addition should be only 30% if the age of the deceased was 40 to 50 years. There should be no addition, where the age of deceased is more than 50 years. Though the evidence may indicate a different percentage of increase, it is necessary to standardise the addition to avoid different yardsticks being applied or different methods of calculation being adopted. Where the deceased was self-employed or was on a fixed salary (without provision for annual increments, etc.), the courts will usually take only the actual income at the time of death. A departure therefrom should be made only in rare and exceptional cases involving special circumstances.”

(emphasis supplied)

27. In **National Insurance Co. Ltd. v. Pranay Sethi**, (2017) 16 SCC 680, the Constitution Bench evaluated all the judicial precedents on the issue of future prospects including *Sarla Verma v. DTC*, (2009) 6 SCC 121, and devised a fixed standard for granting future prospects. It was held : *National Insurance Co. Ltd. v. Pranay Sethi*, (2017) 16 SCC 680 pp. 712-14, paras 57-59)

“57. Having bestowed our anxious consideration, we are disposed to think that when we accept the principle of standardisation, there is really no rationale not to apply the said principle to the self-employed or a person who is on a fixed salary. To follow the doctrine of actual income at the time of death and not to add any amount with regard to future prospects to the income for the purpose of determination of multiplicand would be unjust. The determination of income while computing compensation has to include future prospects so that the



method will come within the ambit and sweep of just compensation as postulated under Section 168 of the Act. In case of a deceased who had held a permanent job with inbuilt grant of annual increment, there is an acceptable certainty. But to state that the legal representatives of a deceased who was on a fixed salary would not be entitled to the benefit of future prospects for the purpose of computation of compensation would be inapposite. It is because the criterion of distinction between the two in that event would be certainty on the one hand and staticness on the other. One may perceive that the comparative measure is certainty on the one hand and uncertainty on the other but such a perception is fallacious. It is because the price rise does affect a self-employed person; and that apart there is always an incessant effort to enhance one's income for sustenance. The purchasing capacity of a salaried person on permanent job when increases because of grant of increments and pay revision or for some other change in service conditions, there is always a competing attitude in the private sector to enhance the salary to get better efficiency from the employees. Similarly, a person who is self-employed is bound to garner his resources and raise his charges/fees so that he can live with same facilities. To have the perception that he is likely to remain static and his income to remain stagnant is contrary to the fundamental concept of human attitude which always intends to live with dynamism and move and change with the time. Though it may seem appropriate that there cannot be certainty in addition of future prospects to the existing income unlike in the case of a person having a permanent job, yet the said perception does not really deserve acceptance. We are inclined to think that there can be some degree of difference as regards the percentage that is meant for or applied to in respect of the legal representatives who claim on behalf of the deceased who had a permanent job than a person who is self-employed or on a fixed salary. But not to apply the principle of standardisation on the foundation of perceived lack of certainty would tantamount to remaining oblivious to the marrows of ground reality. And, therefore, degree-test is imperative. Unless the degree-test is applied and left to the parties to adduce evidence to establish, it would be unfair and inequitable. The degree-test has to have the inbuilt concept of percentage. Taking into consideration the cumulative factors, namely, passage of time, the changing society, escalation of price, the change in price



index, the human attitude to follow a particular pattern of life, etc., an addition of 40% of the established income of the deceased towards future prospects and where the deceased was below 40 years an addition of 25% where the deceased was between the age of 40 to 50 years would be reasonable.

58. The controversy does not end here. The question still remains whether there should be no addition where the age of the deceased is more than 50 years. *Sarla Verma v. DTC*, (2009) 6 SCC 121 thinks it appropriate not to add any amount and the same has been approved in *Reshma Kumari v. Madan Mohan*, (2013) 9 SCC 65. Judicial notice can be taken of the fact that salary does not remain the same. When a person is in a permanent job, there is always an enhancement due to one reason or the other. To lay down as a thumb rule that there will be no addition after 50 years will be an unacceptable concept. We are disposed to think, there should be an addition of 15% if the deceased is between the age of 50 to 60 years and there should be no addition thereafter. Similarly, in case of self-employed or person on fixed salary, the addition should be 10% between the age of 50 to 60 years. The aforesaid yardstick has been fixed so that there can be consistency in the approach by the tribunals and the courts.

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

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.”



(emphasis supplied)

(e) Three conventional heads

28. In **National Insurance Co. Ltd. v. Pranay Sethi, (2017) 16 SCC 680**, the Constitution Bench held that in death cases, compensation would be awarded only under three conventional heads viz. loss of estate, loss of consortium and funeral expenses. The Court held that the conventional and traditional heads, cannot be determined on percentage basis, because that would not be an acceptable criterion. Unlike determination of income, the said heads have to be quantified, which has to be based on a reasonable foundation. It was observed that factors such as price index, fall in bank interest, escalation of rates, are aspects which have to be taken into consideration. The Court held that 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 Court was of the view that the amounts to be awarded under these conventional heads should be enhanced by 10% every three years, which will bring consistency in respect of these heads:

(a) Loss of estate — Rs 15,000 to be awarded.

(b) Loss of consortium.

29. **Loss of consortium**, in legal parlance, was historically given a narrow meaning to be awarded only to the spouse i.e. the right of the spouse to the company, care, help, comfort, guidance, society, solace, affection and sexual relations with his or her mate. The loss of companionship, love, care and protection, etc., the spouse is entitled to get, has to be compensated appropriately. The concept of non-pecuniary damage for loss of consortium is one of the major heads for awarding compensation in various jurisdictions such as the United States of America, Australia, etc. English courts have recognised the right of a spouse to get compensation even during the period of temporary disablement.

30. In **Magma General Insurance Co. Ltd. v. Nanu Ram, (2018) 18 SCC 130** this Court interpreted “**consortium**” to be a compendious term, which encompasses spousal consortium, parental consortium, as well as 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.

31. **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. **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 and affection, and their role in the family unit.

32. Modern jurisdictions world over have recognised 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 permit parents to be awarded compensation under the loss of consortium on the death of a child. The amount awarded to the parents is the compensation for loss of love and affection, care and companionship of the deceased child.

33. The Motor Vehicles Act, 1988 is a beneficial legislation which has been framed with the object of 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 the children who lose the care and protection of their parents in motor vehicle accidents. The amount to be awarded for loss consortium will be as per the amount fixed in National Insurance Co. Ltd. v. Pranay Sethi, (2017) 16 SCC 680.

34. At this stage, we consider it necessary to provide uniformity with respect to the grant of consortium, and loss of love and affection. Several Tribunals and the High Courts have been awarding compensation for both loss of consortium and loss of love and affection. The Constitution Bench in National Insurance Co. Ltd. v. Pranay Sethi, (2017) 16 SCC 680, has recognised only three conventional heads under which compensation can be awarded viz. loss of estate, loss of consortium and funeral expenses. In Magma General Insurance Co. Ltd. v. Nanu Ram, (2018) 18 SCC 130, this Court gave a comprehensive interpretation to consortium to include spousal consortium, parental consortium, as well as filial consortium. Loss of love and affection is comprehended in



loss of consortium.

35. The Tribunals and the High Courts are directed to award compensation for loss of consortium, which is a legitimate conventional head. There is no justification to award compensation towards loss of love and affection as a separate head.

(c) Funeral expenses — Rs 15,000 to be awarded

36. The aforesaid conventional heads are to be revised every three years @ 10%.”

Present Case

34. Now coming to the case on hand, I have already found that the monthly income of the deceased/Baliram Singh @ Purnawashi Singh at the time of accident was Rs.15,000/- per month and as per finding of learned Tribunal, he was 30 years of age at the time of death on account of motor vehicle accident. It was also found by learned Tribunal that he was survived by his wife and three children, who are Appellants Nos. 2 to 4 herein.

Computation of Compensation

35. In view of monthly income of Rs. 15,000/- of the deceased/Baliram Singh @ Purnawashi Singh, his annual income would work out to Rs.15,000 x 12 = Rs.1,80,000/-. However, there is no evidence that he is paying any tax. Hence, there is no question of deduction from his annual income towards payment of tax. Now, as per law, there has to be addition to his annual income towards future prospects. As the deceased was employed on a fixed salary and he was 30 years of



age at the time of death, 40% of the annual income would be added towards future prospects. Hence, the annual income of deceased after addition towards future prospects comes out to be Rs. 2,52,000/- [Rs.1,80,000 + (Rs.1,80,000 x 40%)].

36. Now as per law, there has to be deduction from the annual income towards personal living expense. In view of the number of dependents being four, this deduction has to be 25% of his annual income i.e. Rs.2,52,000/-. Hence, after deduction, the annual income comes to be Rs.1,89,000/- [Rs.2,52,000 - (Rs.2,52,000 x 25%)]. This annual income of Rs.1,89,000/- constitutes multiplicand. To find out loss of annual dependency/loss of annual future income could be determined by multiplying this multiplicand by appropriate multiplier. As per law, the appropriate multiplier in this case would be 17, in view of the age of the deceased being 30. Hence, total loss of dependency comes out to be Rs.1,89,000/- x 17 = Rs.32,13,000/-.

37. In view of the **Pranay Sethi Case** (supra), compensation has to be awarded under three conventional heads also, namely, loss of Estate, loss of Consortium and Funeral expenses. The figures on such conventional heads was provided by Hon'ble Supreme Court in **Pranay Sethi Case** (supra) as



Rs.15,000/-, 40,000/- and 15,000/-.

38. Hence, the appellants have to be awarded compensation under the conventional heads as follows:

(i) Towards Loss of Estate:- Rs.15,000/-.

(ii) Towards loss of spousal consortium of Appellant No. 1/widow of the deceased:- Rs.40,000/-.

(iii) Towards loss of parental consortium of son and daughters of the deceased, who are Appellant Nos. 2 to 4 herein is Rs.40,000 x 3 = Rs.1,20,000/-.

(iv) Towards funeral expenses - Rs.15,000/-.

39. Hence, total compensation payable to the Claimants/Appellants would work out to be Rs.34,03,000/- (Rs.32,13,000+Rs.15,000+Rs.40,000+Rs.1,20,000+Rs.15,000).

As per the pleading of the parties, the Claimants/Appellants have already received Rs.50,000/- under Section 140 of the M.V. Act. Hence, the appellants are entitled to get balance amount of Rs.33,53,000/- (Rs.34,03,000 - Rs.50,000).

40. Hence, the Respondent No.1/Insurance Company is directed to pay the said amount of Rs.33,53,000/- to the Appellants within two months with interest @ 6% per annum since the date of filing of the claim petition i.e. 06.08.2013, failing which the Respondent No.1/Insurance Company would



be liable to pay penal interest @ 12% per annum. This amount must be paid by way of account payee cheque or Bank Draft in the names of the Appellants.

41. It is clarified that by now, the children i.e. Appellants Nos. 2 to 4 must have become major and hence, there is no need to deposit their shares in fixed deposit scheme. It is further clarified that out of total compensation of Rs.33,53,000/-, the Appellant Nos. 2, 3 and 4 viz., Pinki Kumari, Batar Kumar and Muni Kumari, respectively should be given Rs. 7 lac each and the rest amount is directed to be paid to Appellant No. 1/Manju Devi, widow of late Baliram Singh @ Purnawashi Singh.

42. The statutory amount of Rs. 25,000/-, if deposited by Insurance Company, be paid to Appellant No. 1. This amount would be adjusted against the total compensation amount payable by the Insurance Company/Respondent No. 1 to Appellant No. 1.

43. LCR be sent back to the Court below forthwith.

(Jitendra Kumar, J.)

Ravishankar/Shoaib

AFR/NAFR	A.F.R.
CAV DATE	16.09.2025.
Uploading Date	13.11.2025.
Transmission Date	13.11.2025.

