IN THE HIGH COURT OF JUDICATURE AT BOMBAY
NAGPUR BENCH AT NAGPUR

FIRST APPEAL NO. 720 OF 2023

National Insurance Co. Ltd.
Branch Office, Near Balaji Plots,
Khamgaon, Tq. Khamgaon,
District Buldana, through the Regional
Manager, Nagpur Regional Office
at 5th Floor, Fidvi Tower, Mount Road,
Sadar, Nagpur - 440001 .. **Appellant**

Versus

1. Smt.Sangita wd/o. Dattatraya Galde
age : 40 years, Occ : Household
2. Sandip S/o. Dattatraya Galde
age : 21 years, Occ : Education
3. Avinash S/o. Dattatraya Galde
age : 18 years, Occ : Education

All R/o. Khairao, Tq. Chikhli,
District Buldana

4. Raghwendra S/o. Jagdamba Prasad Dube,
age : Major Occ : Transport,
R/o. 102, Shivam Apartment,
Ganesh Nagar, Magob, Surat City,
Bombay Market, Surat: Pin 395010
Gujrat State

.. **Respondents**

Matter is abated against R-4, as per the order dated 14/01/2025, passed by Registrar (J)

Mr. B.P.Bhatt, Advocate for appellant Insurance Company.
Mr. S.A.Sahu, Advocate for respondent Nos. 1 to 3.

CORAM : ABHAY J. MANTRI, J.

DATED : SEPTEMBER 02, 2025

ORAL JUDGMENT

(1) Heard. **Admit.** With the consent of the learned Counsel for the parties, the appeal is taken up for final hearing forthwith.

(2) The appellant Insurance Company, i.e. original opponent No.2, being aggrieved by the judgment and order dated 08/01/2020 passed by the learned Motor Accident Claims Tribunal, Buldhana (for short ***'Tribunal'***) in MACP No.134/2016, whereby allowed the claim petition filed by the claimants/respondents No.1 to 3, has preferred this appeal.

The facts in a nutshell are as under:-

(3) On 10/05/2016 husband of the respondent No.1/original applicant No.1, Dattatraya Shenfad Galde, was proceeding on his motorcycle bearing MH-28-AD-1522 (for short, ***the 'motorcycle'***) along with Gajanan from Chikhli to Mehkar and on the way, Luxury Bus bearing No. GJ-05-BT-1500 (for short, the ***'bus'***) came from the opposite direction at high speed, rashly and negligent manner and gave a dash to the motorcycle. Due to the said dash, the deceased and Gajanan fell on the ground and sustained grievous injuries. The deceased succumbed to the said injuries. Accordingly, an offence was registered at Chikhali Police Station against the bus driver vide Crime No. 213/2016.

(4) At the time of the accident, the deceased was 51 years old and doing plumbing work. He was earning Rs. 14,000/-p.m. The applicant No.1 is the widow, and applicants No.2 and 3 are the sons of the deceased. The opponent No.1 is the owner of the bus, and the said bus was insured with the opponent No.2 Insurance Company; therefore, the owner as well as the Insurance Company are jointly and severally liable to pay the compensation to the applicants. Due to the death of the deceased, the applicants suffered loss and therefore, they have filed a claim petition.

(5) The opponent No.1, although served, did not appear before the Tribunal; hence, the matter was proceeded ex parte against him.

(6) The opponent No.2 Insurance Company filed a Written Statement and resisted the claim in toto. They denied the age and income of the deceased. It is contended that the Police Authorities, without any inquiry, wrongly registered a FIR against the bus driver. In fact, the bus driver was not at fault, but the deceased himself was negligent; therefore, the bus driver was not responsible for the accident. The claimants have not made the motorcycle owner a party; as such, the petition was hit by non-joinder of a necessary party. It is further contended that the driver of the bus was not holding a valid and effective licence; therefore, as per the terms and conditions of the Insurance Policy, the owner, i.e. opponent No.1, is liable to pay compensation, hence, urged for dismissal of the claim.

(7) Based on the rival pleadings of the parties, the learned Tribunal framed issues. Pursuant to the said issues, applicant No.1 examined herself and had produced and proved the documents and closed their evidence. Neither respondent has adduced any evidence in support of their defence. On the other hand, the opponent No.2 Insurance Company had filed a pursis that it does not want to adduce evidence in support of its defence. After considering the evidence on record, the learned Tribunal allowed the claim petition and directed the opponents No.1 and 2, i.e. appellant and owner of the vehicle, to be jointly and severally liable to pay the compensation amount. Being aggrieved by the same, appellant Insurance Company has preferred this appeal.

(8) Heard learned counsel for both parties and perused the impugned judgment and award. I have also gone through the record and proceedings. The following points arise for determination:-

(i) Whether the impugned judgment is just and proper ?

(ii) *Whether any interference is required in the impugned judgment ?*

Points No. (i) and (ii) :-

(9) Learned counsel Mr. Bhatt, appearing for the appellant Insurance Company, has preferred this appeal only on the point of quantum, i.e. the grant of excessive compensation. However, he does not dispute the other findings recorded by the learned Tribunal or the mandate laid down in ***National Insurance Company vs. Pranay Sethi***, ***(2017) 16 SCC 680;*** therefore, in the morning session, he was requested to calculate the entitlement of the compensation amount to be paid to the applicants pursuant to the mandate laid down in the said judgment. Accordingly, he has prepared the calculation pursuant to the judgment in ***Pranay Sethi*** (supra) case and in the afternoon session tendered across the bar calculation sheet, the same is taken on record and marked as '**X'** for identification purposes, copy of which was also handed over to the learned counsel for the respondents No.1 to 3, the learned counsel for the respondents have gone through the said calculation sheet, he doesn't dispute the same but accepted the calculation made by the learned counsel for the appellant. As a consequence, he has also tendered across the bar a pursis dated 02/09/2025, the same is taken on record. In the said pursis, it is stated that in view of the judgment passed by the Hon'ble Apex Court in ***United Insurance Co. Ltd. vs. Satinder Kaur***, ***AIR 2020 SC 3076***, the respondents No.1 to 3 are entitled to get compensation under the head of consortium also. But, he agreed to the calculations made in the calculation sheet (**X**) submitted by learned counsel for the appellant Insurance Company; for the above reasons, learned counsel for both parties have submitted that in view of the same, the appeal be disposed of. I would like to reproduce the said calculation of compensation made in the calculation sheet as submitted by learned counsel for the appellant, which reads as under :-

"Calculation of Compensation awarded by MACT

	Amount
Annual income of deceased @ Rs.10,000/- per month (Notional) : x 12 = 1,20,000 + 48000 towards 40% future prospects	**Rs.1,20,000 + 48,000 = Rs.1,68,000/-**
1/3rd deduction (total 3 claimants)	**Rs.1,68,000 – 56,000 = Rs.1,12,000/-**
Multiplier applied 11 (Age of the deceased at the time of death- 55 years)	**Rs.1,12,000 x 11 = Rs. 12,32,000/-**
Loss of consortium & funeral expenses	**Rs. 70,000/-**
Total compensation	**Rs.13,02,000/-**

Correct Calculation as per the mandate in Pranay Sethi's case.

	Amount
Annual income of deceased @ Rs. 10,000/- per month (Notional income): x 12 = 1,20,000 + 12,000 towards 10% future prospects (age group 50 to 60)	**Rs.1,20,000 + 12,000 = Rs. 1,32,000/- pa.**
After 1/3rd deduction (total 3 claimants)	**Rs.1,32,000 – 44,000 = Rs.88,000/-**
Multiplier applied 11 (Age of the deceased at the time of accident: 55 years)	**Rs.88,000 x 11 = Rs. 09,68,000/-**
Loss of consortium & funeral expenses	**Rs.1,50,000/-**
Total compensation	**Rs.11,18,000/-**

Difference – Rs.13,02,000 (–) Rs.11,18,000 = Rs.1,84,000/-"

(10) It is pertinent to note that none of the parties have disputed or raised the findings recorded by the learned Tribunal and agreed to the calculation sheet submitted by the learned counsel for the appellant on record. I have gone through the same and the record. However, in the said calculation sheet under the head of loss of consortium and funeral expenses, they have not considered the addition of a 10% increase under the said heads after every three years from the date of the judgment in '***Pranay Sethi's***' case. It is pertinent to note that the Hon'ble Apex Court in (i) ***Premwati and others vs. Iqbal and others, 2024 SCC OnLine SC 3747***, (ii) ***Seema Rani and others vs. Oriental Insurance Co. Ltd. and others, 2025 SCC OnLine SC 283*** and (iii) ***Kavita Devi and others vs. Sunil Kumar and another, 2025 SCC OnLine SC 1639,*** has awarded compensation after considering the increase of 10% after every three years under the above heads, as such, in my view, it would be necessary to add 10% increase as stated above, after every three years from the date of judgment in ***Pranay Sethi's*** case (supra) under the head of consortium, funeral expenses and loss of estate, to that extent I have to modify the above calculation sheet. Thus, the applicants/respondents No.1 to 3 are entitled to get the compensation as under :-

INCOME- Rs 10,000 p.m

Age	**51 to 55 years**
Dependents	**3**
Monthly Income	**Rs 10,000 /- p.m.**
Net Income	**Rs 1,20,000/- p.a**
Future Prospects	**10%**
Multiplier	**11**

Sr. No.	Compensation Heads	Amount Awarded
(i)	Net Income	Rs 1,20,000/-p.a.
(ii)	After deduction towards personal expenses as 3 dependents (1/3)	Rs 40,000/- (Rs 1,20,000 - Rs 40,000 = Rs 80,000/-)
(iii)	Towards Future Prospects, the age is between 50-60 (10%)	Rs 8,000/-
(iv)	Multiplicand	Rs 88,000/- (80,000+8,000)
(v)	Multiplier as age is between 51-55	11
(vi)	Loss of Income of the deceased	Rs 9,68,000/- (88,000 x 11)
(vii)	Compensation to be awarded (A)	Rs 9,68,000/-

Sr. No.	Conventional Heads	Amount
(i)	Funeral Expense (15,000 with a 10% increase every 3 years from 2017)	Rs 18,150/-
(ii)	Loss of Estate (15,000 with a 10% increase every 3 years from 2017)	Rs 18,150/-
(iii)	Loss of Consortium to each of 3 Dependents (40,000 with a 10% increase every 3 years from 2017)	Rs 1,45,200/- (48,400 x 3)
(iv)	Compensation under Conventional Head (B)	Rs 1,81,500/-

Total Compensation

Total Compensation to be Awarded (A+B)	Rs 9,68,000/- + Rs 1,81,500/- = Rs 11,49,500/-

(11) I have gone through the impugned judgment and award. In para 9 of the judgment learned Judge has erred in considering the income under the head of future prospects added at 40% instead of 10% as he was self-employed. In fact, as per the judgment in ***Pranay Sethi*** (supra), the respondents No.1 to 3 are entitled to 10% only under the head of future prospects and therefore, said finding needs to be set aside and to be modified to that extent in the appeal.

(12) Learned counsel for the respondents No.1 to 3 does not dispute the said position of law. As a result, it appears that findings recorded by the learned Tribunal for granting compensation under the head of future prospects require to be modified to the extent of 10% only. Therefore, interference is required in the impugned judgment and award in that regard. As a consequence, the amount of compensation required to be modified as Rs. 11,49,500/- as calculated above, and to that extent, interference is required in the impugned judgment and award.

(13) Consequently, the appeal is partly allowed and clause (2) of the operative part of the impugned judgment is modified to that extent, that opponent Nos.1 and 2 i.e. appellant and respondent No.4 herein are jointly and severally liable to pay compensation of Rs.**11,49,500/-** instead of Rs.13,01,956/-, rest part of the operative order shall remain as it is.

(14) It appears that the appellant Insurance Company has deposited an amount of Rs. 16,45,452/- in this Court, out of which 50% of the said amount, i.e.

Rs. 8,22,726/-, along with proportionate accrued interest thereon, was already withdrawn by the applicants/respondents No.1 to 3 as per the order dated 01/08/2023.

(15) It is made clear that the applicants/respondents No.1 to 3 are entitled to an amount of Rs. 11,49,500/- along with the proportionate accrued interest thereon as granted by the Tribunal in totality, and the appellant Insurance Company is entitled to withdraw the balance amount of Rs. 1,52,456/- i.e. Round off up to **Rs. 1,52,450/-** along with accrued interest thereon**.**

(16) The Registrar (Judicial) is directed to transmit the amount as observed above in the respective bank accounts of the appellant as well as respective applicants/respondents No.1 to 3 as per the judgment and award of the learned Tribunal as mentioned in clause (3) of the operative part of the order along with accrued proportionate interest thereon (after deduction of the amount already paid/withdrawn by the applicants/claimants) within a period of six weeks, on their furnishing bank account details to the Registry.

[ABHAY J. MANTRI, J.]

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