

2025:PHHC:178928



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

FAO-973-2024 (O&M)
Reserved on: 09.12.2025
Pronounced on: 24.12.2025
Uploaded on: 24.12.2025

UPINDER AND ANOTHER

....Appellants

Vs.

VIJAY KUMAR AND OTHERS

.....Respondents

CORAM: *HON'BLE MR. JUSTICE HARKESH MANUJA*

Present: Mr. Vikrant Singh Cooner, Advocate for
Mr. J.S. Cooner, Advocate
for the appellants.

Mr. Nigam K. Bhardwaj, Advocate
for respondent No.3/Insurance Company.

HARKESH MANUJA, J.

1. By way of present appeal, challenge has been laid to an award dated 16.11.2023 passed by the learned Motor Accident Claims Tribunal, Patiala (for brevity, "the Tribunal"), whereby an amount of Rs. 15,89,000/- was awarded as compensation to the appellants/claimants along with interest @ 7.5% per annum from the date of filing of claim petition till its realization on account of death of Sapna Dhiman in a motor vehicular accident, occurred 25.08.2022.

2. As sole issue for determination in the present appeal is confined to quantum of compensation awarded by the Tribunal, a detailed narration of the facts of the case is not reproduced for the sake of brevity.

ARGUMENTS

ON BEHALF OF LEARNED COUNSEL FOR THE APPELLANTS

3. Learned counsel for the appellants/claimants contended that keeping in view that the deceased apart from being a homemaker was also doing tailoring work, the Tribunal arbitrarily assessed her income on the lower side as Rs. 5,000/- per month while her services to the family as well as tailoring should have been assessed at least @ Rs. 30,000/- per month. He further submitted that compensation awarded under conventional heads i.e. loss of estate, funeral expenses and loss of consortium was also assessed on the lower side.

4. Per contra, learned counsel representing the appellant-respondent/Insurance Company, vehemently argued that the impugned award was highly excessive and contended that the learned Tribunal fell in error while awarding a whopping sum of Rs. 15,89,000/- as compensation and as such the same was liable to be set aside.

DISCUSSION

5. I have heard learned counsel for the parties and perused the paper book of the case. I find force in the arguments advanced by the learned counsel for the appellants/claimants.

QUESTION OF INCOME ASSESSED

6. In the present case, as per the statement of Upinder (husband of deceased) while deposing as CW-1, it was submitted that the deceased was 24 years of age and was doing tailoring work, thus earning Rs. 30,000/- per month, however, no documentary evidence to support the income of the deceased was placed before the Tribunal, thus, learned Tribunal assessed the monthly income of deceased @ Rs. 5,000/- per month as equated with that of a homemaker. In this situation observations made by the Hon'ble Apex Court in **"Kubra Bibi vs. Oriental Insurance Co. Ltd."**, reported as **2023 (3) Apex Court Judgments (SC) 23**, to the

effect that in the absence of definite proof of income, the social status of the deceased was to be kept in perspective where such persons are employed in unorganized sector need to be taken into account and the notional income is required to be taken into consideration to help the cause of the appellant. Relevant para from this judgment is reproduced hereunder:-

“7. In a matter of the present nature where the compensation is sought and even in absence of definite proof of the income, the social status of the deceased is to be kept in perspective where such persons are employed in unorganized sector and the notional income in any event is required to be taken into consideration. The fact that the deceased had three dependents to be cared for and had claimed that he was working as a mechanic, the amount payable to an unskilled labour, cannot be the basis and in that circumstance when he was a skilled person, the daily income at Rs. 200 per day in any event could have been taken even if the income from jeep transport business was discarded for want of documents. More so in a circumstance, where the MACT had referred to the evidence available on record and then arrived at its conclusion, the re-appreciation of the evidence by the High Court is without being sensitive to nature of lis before it.”

6.1 In the present case, deceased was a homemaker and her income was assessed as Rs. 5,000/- per month, which appears to be on lower side. In case of “Laxmidhar Nayak v. Jugal Kishore Behera” reported as (2018) 1 SCC 746, notional income of house wife-cum-agricultural labour, who died in the year 1991 was considered as Rs. 4,500/- per month. (Due to passage of so many years, there would be substantial hike in the minimum wages of ordinary labours).

6.2 Even in the case of “National Insurance Co. Ltd. vs. Dhan Singh” reported as 2019 (3) PLR 301, notional income of housewife was assessed @ Rs.

11,000/- per month by this Court while awarding compensation in relation to an accident dated 20.09.2017.

6.3 Therefore, the notional income of house wife needs to be considered keeping in mind multifarious services rendered by her for the family; the expenses for cook service, maid servant service, housekeeping expenses and keeping in mind the savings accrued due to all these services. Even the invaluable emotional support and the contribution of house wife to her husband, children and in-laws, cannot be assessed in terms of money. Thus, keeping in mind the above considerations, notional income of the deceased as housewife-cum-seamstress could not be assessed less than Rs. 10,000/- per month against an accident which took place on 25.08.2022.

7. Further, relying upon decision rendered by co-ordinate bench of this Court in case of **“Gurtej Singh Vs. Gurnaib Singh”** bearing **FAO No. 1093 of 2019**, no deduction is liable to be made from notional income of housewife. Furthermore, future prospects are required to be added to a homemaker’s notional income in view of the decision rendered by the Hon’ble Supreme Court in case of **“Rajendra Singh and Ors. Vs. National Insurance Company Limited and Others”**, reported as **2020 (3) RCR CIVIL 26**, whereby it was held that in case of death of housewife claimants are liable to be granted such benefit. Relevant excerpt thereof is reproduced hereunder:-

*“11.If the deceased had survived, in view of observations in **Lata Wadhwa (supra)**, her skills as a matured and skilled housewife in contributing to the welfare and care of the family and in the upbringing of the children would have only been enhanced by time and for which reason we hold that the appellants shall be entitled to future prospects.....”*

8. In view of judgment of Hon’ble Apex Court in Smt. Sarla Verma &Ors. Vs. Delhi Transport Corporation & Anr., (2009)6 SCC 121, National Insurance Company Co. Ltd. vs. Pranay Sethi & Ors. (2017) 16 SCC 680 and United India Insurance Co. Ltd. v. Satinder Kaur @ Satwinder Kaur”, reported as (2021) 11 SCC 780, compensation awarded under conventional heads is also required to be reassessed. Accordingly, the claimants are entitled for Rs. 18,000/- as compensation under the head of funeral expenses and Rs. 18,000/- towards loss of estate. Loss of consortium is to be awarded to the tune of Rs. 96,000/- (Rs. 48,000 x 2) as appellants/claimants are entitled for spousal and parental consortium; but simultaneously, appellants/claimants are not entitled for compensation on account of loss of love and affection.

CONCLUSION

9. In view of the discussion made hereinabove, the appellants/claimants shall be entitled for the grant of compensation in the following manner:-

S.No.	Nature	Amount (in Rs.)
1.	Annual Income of Deceased	Rs. 1,20,000/-
2.	Add 40% future prospects	Rs. 48,000/-
3.	Net Income (Rs. 1,20,000/- + Rs. 48,000/-)	Rs. 1,68,000/-
4.	Multiplier of 18 as per age of 24 years (Rs. 1,68,000 x 18)	Rs. 30,24,000/-
5.	Funeral Expenses	Rs. 18,000/-
6.	Loss of Estate	Rs. 18,000/-
7.	Loss of Consortium (Rs. 48,000 x 2)	Rs. 96,000/-
	Total Compensation	Rs. 31,56,000/-
	Amount Awarded by the Tribunal	Rs. 15,89,000/-
	Enhanced Amount	Rs. 15,67,000/-

10. The grant of interest @ 7.5% per annum is not equitable and just in view of the observations made by the Hon'ble Supreme Court in **"Smt. Supe Dei and others vs. National Insurance Company Limited and other,** reported as **(2009) (4) SCC 513** approved in a subsequent judgment titled as **"Puttamma and others vs. K.L. Narayana Reddy and another, 2014 (1) RCR (Civil) 443,** thus, the interest is enhanced to 9% per annum on the amount of compensation awarded to the claimants from the date of institution of claim petition till its realization. In case the said amount is not paid within three months, the same shall be payable thereafter along with 12% interest from the expiry of period of three months from today. Needless to mention here that the amount of compensation already paid to the claimant shall be deducted from the enhanced compensation.

11. In view of the aforesaid modification, the present appeal stands disposed of. Pending miscellaneous application(s), if any, shall also stand disposed of.

December 24, 2025

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(HARKESH MANUJA)
JUDGE

Whether speaking/reasoned: Yes/No

Whether reportable: Yes/ No