IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH

127 **FAO-1275-2025 (O&M)**
Date of decision: 19.09.2025

New India Assurance Company Limited
...Appellant(s)
Vs.
Mamta Rani and others
...Respondent(s)

CORAM: HON'BLE MS. JUSTICE NIDHI GUPTA

Present:- Mr. Rahul Pathania, Advocate
for the appellant.

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NIDHI GUPTA, J.

The present appeal has been filed by the Insurance Company laying challenge to the Award dated 14.11.2024 passed by the learned Motor Accident Claims Tribunal, Yamuna Nagar at Jagadhari (hereinafter referred to as "the Tribunal"); whereby the claim petition bearing No. 57 dated 18.02.2020 filed by the claimants/respondent No. 1 to 6 herein, under Section 166 of the Motor Vehicles Act (hereinafter referred to as "the Act"), was allowed; and compensation of Rs.46,31,256/- along with interest @ 7.5% per annum has been awarded. The 6 claimants are the widow, 3 minor children; and parents of the deceased Ramanjeet.

2. Brief facts of the case are that the learned Tribunal on the basis of the pleadings and the evidence adduced before it, concluded that the deceased Ramanjeet had died to the injuries suffered by him in a Motor Vehicular Accident that took place on 17.01.2020 at about 12:30 p.m. due to the rash and negligent driving of a Truck bearing

registration No. HR64-A/7015 (hereinafter referred to as 'the offending vehicle') which was driven and owned by respondent No.7 and insured by the appellant herein. The appellant and respondents No. 7 and 8 were held jointly and severally liable to pay the above said compensation

3. Learned counsel for the appellant-Insurance Company assails the impugned Award dated 14.11.2024 on the ground that income of the deceased has been wrongly assessed. It is submitted that while assessing the payable compensation the Ld. Tribunal has completely overlooked the ITR for the assessment year of 2019-2020 which pertains to financial year 2018-2019 showing the income of the deceased as Rs.2,04,394/- p.a. whereas the Ld. Tribunal has wrongly assessed the income of the deceased as Rs.2,57,991/- p.a.

4. Learned counsel for the appellant further submits that the Ld. Tribunal has wrongly awarded Rs.2,97,000/- under conventional heads, whereas as per settled law by Hon'ble Supreme Court in **Bhagat Singh Rawat** and **Pranay Sethi Case** only Rs.77,000/- has to be awarded.

5. It is accordingly prayed that the present appeal be allowed; and the impugned Award be modified.

6. No other argument is raised on behalf of the appellant. I have heard learned counsel and perused the case file in detail. I find no merit in the submissions made on behalf of the appellant-Insurance Company.

7. It was the pleaded case of the appellant before the learned Tribunal that the deceased was running a business of Timber

commission agent under the name and style of New Pal Timbers at village Pansara. The claimants had duly brought on record the Income Tax Returns of the deceased for the assessment years 2017-18 (Ex.P46), as per which annual income of the deceased was Rs.2,22,294/-; 2018-19 (Ex.P47), as per which annual income of the deceased was Rs.2,50,960/-; and 2019-20 (Ex.P48), as per which annual income of the deceased was Rs.2,04,394/-. In computing the income of the deceased, learned Tribunal, by placing reliance upon the judgment of Allahabad High Court in **United India Insurance Co. Ltd. vs. Uma Pripathi and others, 1(2020) ACC 410 (Allahabad)** had taken average of the above said incomes of the deceased and computed the annual income of the deceased as Rs.2,57,991/-.

8. I find no error in the same. In this regard, reference is made to a judgment passed by the Hon'ble Supreme Court in **Civil Appeal No.7181 of 2015 titled as "ICICI Lombard General Insurance Co. Ltd. Vs. Ajay Kumar Mohanty (SC): Law Finder Doc Id # 981133** wherein it has been held that average income of the preceding three years has to be taken. No judgment to the contrary has been produced by the appellant. Thus, annual income of the deceased has been correctly assessed as Rs.2,57,991/-.

9. Further, age of the deceased was taken to be 33 years on the basis of Postmortem Report (Ex.P2). As such, addition of 40% towards future prospects has been correctly made; and multiplier of 16 has also been correctly applied. As there were 6 claimants, deduction of 1/4th

has been correctly made. Learned Tribunal had further awarded Rs.44,000/- to each claimant; and Rs.16,500/- each towards funeral expenses and loss of estate; thereby granting total compensation in the following manner:-

Sr. No.	Heads of claim	Calculation (in Rs.)
1.	Annual income	Rs.2,57,991
2.	Addition (future prospects @ 40% of the annual income)	Rs.1,03,196
3.	Total Income	Rs.3,61,187
4.	Deduction for personal and living expenses	1/4th of Rs.3,61,187 =90,296/-
5.	Net assessable income	361187-90296=Rs.2,70,891
6.	Multiplier	16
7.	Loss of income	2,70,891 x 16=Rs.43,34,256
8.	Loss of consortium	Rs.44,000 x 6=Rs.2,64,000
9.	Funeral expenses and loss of estate	Rs.16,500 + Rs.16,500 = Rs.33,000
10.	Total	**Rs.46,31,256**

10. In view of the above, no ground is made out to interfere in the impugned Award. The present appeal is **dismissed.**

11. Pending application(s) if any also stand(s) disposed of.

19.09.2025 **(NIDHI GUPTA)**
Divyanshi **JUDGE**

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