IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH

FAO-2562-2008 (O&M)
FAO-3214-2008
Date of Decision: 15.09.2025

1. FAO-2562-2008

RITU YADAV

....Appellant

Versus

DAYA RAM AND OTHERS

...Respondents

2. FAO-3214-2008

SHAKUNTLA AND ANOTHER

....Appellants

Versus

DAYA RAM AND OTHERS

...Respondents

CORAM: HON'BLE MR. JUSTICE PARMOD GOYAL

Present: Mr. Sandeep Yadav, Advocate
for the appellants.

Mr. P.S. Saini, Advocate
for the respondents.

Parmod Goyal, J.

Present appeals have been preferred by the wife and parents of the deceased, Surender Singh (hereinafter referred to as the “Deceased”), who had died in road accident which took place on 25.07.2006, on account of rash and negligent driving by Respondent No.1 while driving four wheeler bearing registration No. HR-38B-0800.

2. Being aggrieved by the impugned award dated 10.04.2008 passed by the Motor Accident Claims Tribunal, Narnaul (hereinafter referred to as “Tribunal”), vide which the appellants were found entitled to total compensation of Rs. 8,11,264/-, the appellants are seeking enhancement in

compensation awarded by the Tribunal as the same is not according to their entitlement.

3. Since the factum of the accident is not in dispute, the facts, as recorded in the impugned award passed by the Tribunal are not being adverted to for herein sake of brevity. The Tribunal in the present case has awarded the following compensation :

Monthly Income	Rs. 6,338/- (net salary)	Rs. 76,056/-
Deduction	1/3rd	Rs. 50,704/-
Multiplier	16	16
Total Loss of Dependency	Rs. 50,704 X 16	Rs. 8,11,264/-
Total Compensation awarded		Rs. 8,11,264/-

4. Learned Counsel for the claimants-appellants has argued that though the monthly income of the deceased stands proved on record to be Rs. 10,438/-, however Tribunal has wrongly deducted Rs.3,600/- which was being returned by deceased to his employer against advance taken by him. Since, it was the instalment for repayment of advance / loan taken by the deceased, therefore, Tribunal has erred in taking the salary of the deceased as Rs.6,338/- per month being the net salary. Learned counsel for respondent No. 3 Insurance Company has contended that the income of the deceased has rightly been assessed at Rs.6,338/- per month and there is no scope of enhancement.

5. I find merit in the contention raised by learned counsel for appellants. Instalments towards advance continues to be part of salary of

deceased and cannot be excluded from net salary as was done by Learned Tribunal. Learned Tribunal while assessing the income has assessed it to be Rs.6,338/- per month after deducting allowances paid to deceased by his employer. In **National *Insurance Company Ltd. v. Nalini & Ors*,** 2024 SCC OnLine SC 2252, it was been held that the allowances under the heads of transport allowance, house rent allowance, provident fund and special allowance ought to be added while considering the basic salary of the victim/deceased to arrive at the dependency factor. In view of the above, gross salary of the deceased has to be considered as income of deceased. Accordingly, the income of the deceased is assessed as Rs.10,438/- per month as per the salary certificate of the deceased (Ex- P9).

6. Learned counsel for the claimants-appellants has also contended that future prospects @ 40% and multiplier of 18 ought to have been granted by learned Tribunal as deceased was 24 years old at the time of his death. In view the age of the deceased multiplier of 18 and 40% towards future prospects needs to be applied in present case. Compensation under conventional heads i.e. loss of estate, funeral expenses, loss of consortium have also not been granted. Appellants are also entitled to same in consonance with **National Insurance Company Limited Vs. Pranay Sethi & Ors**, 2017 (16) SCC 680, **Magma General Insurance Company Limited Vs. Nathu Ram alias Chuhu Ram & Ors.,** 2018 (18) SCC 130 and **N. Jayasree & Ors. Vs. Cholamandalam M.S General Insurance Company Ltd.**, 2021 (4) RCR (Civil) 642.

7. Accordingly the reworked compensation to which the claimants–appellants are entitled to is as under:

Income	Rs. 10,438/- (as per salary certificate, Ex.P9)	Rs. 10,438/-
Future Prospects	40% (10,438 + 4175)	Rs. 14,613/-
Deduction	1/3rd (14,613 - 4871)	Rs. 9,742/-
Multiplier	18	18
Total loss of dependency	9,742 X 12 X 18	Rs. 21,04,272/-
Loss of Estate	Rs. 15,000/-	Rs. 15,000/-
Funeral Expenses	Rs. 15,000/-	Rs. 15,000/-
Loss of Spousal Consortium to claimant No. 1	Rs. 40,000/-	Rs. 40,000/-
Loss of filial consortium to claimant no. 2 & no. 3	Rs. 40,000/- x 2	Rs. 80,000/-
Total Compensation awarded in appeal		Rs. 22,54,272/-
Total Compensation awarded by the Tribunal		Rs. 8,11,264/-

Enhanced amount of compensation	Rs. 22,54,272/- (awarded in appeal) – Rs 8,11,264/- (awarded by the Tribunal)	Rs. 14,43,008/-

8. Appellants are accordingly held entitled to enhanced compensation of Rs.14,43,008/- along with interest @ 7.5% p.a. from date of filing of claim petition till date of its realisation. Both the appeals are allowed and the award passed by the Tribunal is modified accordingly.

9. In view of the decision by the Hon'ble Supreme Court in **Parminder Singh Vs. Honey Goyal & Ors.,** AIR 2025 SC 1713, enhanced amount be paid by respondent No.3 Insurance Company in the bank account(s) of the claimants-appellants within a period of six weeks from today as per apportionment ordered in award. The particulars of the bank account(s) along with requisite documents in support thereof shall be furnished by the claimants-appellants to respondent No.3 – Insurance company within a period of two weeks from today and needful shall be done by respondent No.3–Insurance Company after verification thereof within a period of four weeks thereafter along with up-to-date interest.

(PARMOD GOYAL)
JUDGE

15.09.2025
chiranjeev

Whether Speaking/Reasoned : Yes/No
Whether Reportable : Yes/No