IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH

FAO-5827-2019 (O&M)
Date of Decision : 13.11.2025

Sukhwinder Kaur and Others ... Appellants

Versus

Lakhwinder Singh and Others ... Respondents

CORAM : HON'BLE MRS. JUSTICE ALKA SARIN

Present : Mr. Rajbir Singh, Advocate for the appellants.

Mr. Amit Kumar Walia, Advocate for respondent Nos.1 and 2.

Mr. Lalit Garg, Advocate for respondent No.3.

ALKA SARIN, J. (Oral)

1. The present appeal has been preferred by the claimant-appellants aggrieved by the quantum of compensation awarded by the Motor Accident Claims Tribunal, Sangrur (hereinafter referred to as ‘Tribunal’) vide the impugned award dated 13.12.2018 on account of death of Wazir Singh (hereinafter referred to as the ‘deceased’) in a motor vehicle accident which occurred on 09.11.2017.

2. Since the factum of the accident is not in dispute, the facts are not being adverted to for the sake of brevity.

3. The Tribunal in the present case had awarded the following compensation :

Sr. No.	Heads	Compensation Awarded
1	Annual income	₹7,37,787/-
2	Future prospects – 15%	[₹7,37,787 + 1,10,668] = ₹8,48,455/-

3	Deduction – 1/4th	[₹8,48,455 – 2,12,113] = ₹6,36,342/-
4	Multiplier of 11	[₹6,36,342 x 11] = ₹69,99,762/-
5	Loss of consortium	₹40,000/-
6	Funeral expenses	₹15,000/-
7	Loss of estate	₹15,000/-
	Total Compensation	**₹70,69,762/-**
	Interest	**9% per annum**

4. Learned counsel for the claimant-appellants states that though he does not challenge the deduction, multiplier and the future prospects as applied by the Tribunal, however, he has contended that the Tribunal has assessed the annual income of the deceased as ₹7,73,807/- as per Form-16 (Ex.C9) and after deducting the income tax, took his annual income as ₹7,37,787/-. Learned counsel for the claimant-appellants has further contended that the deceased in the present case was a government employee and was working as Junior Engineer in Punjab State Power Corporation Limited, Dirba and his gross monthly salary was ₹71,530/- as per salary statement produced on record by the claimant-appellant as Ex.C3. Learned counsel for the claimant-appellants has further contended that the compensation awarded under the conventional heads as well as under the head 'loss of consortium' is not in accordance with the law laid down by the Hon'ble Supreme Court in the cases of **National Insurance Company Ltd. vs. Pranay Sethi & Ors. [(2017) 16 SCC 680]**, **Magma General Insurance Company Limited vs. Nanu Ram alias Chuhru Ram & Ors. [(2018) 18 SCC 130]** and **N. Jayasree & Ors. vs. Cholamandalam M.S General Insurance Company Ltd. [2021(4) RCR (Civil) 642]**.

5. *Per contra* learned counsel for respondent No.3-Insurance Company has contended that income of the deceased has rightly been assessed

by the Tribunal and that sufficient amount has already been awarded and there is no scope of any enhancement.

6. I have heard the learned counsel for the parties.

7. Admittedly, in the present case no appeal has been preferred by the Insurance Company. Since there is no challenge to the deduction, multiplier and the future prospects as applied by the Tribunal, the same are accordingly maintained.

8. In the present case, while relying upon Form-16 (Ex.C9) and after deducting the income tax of ₹36,020/-, the Tribunal assessed the annual income of the deceased as ₹7,37,787/-. Admittedly, the salary statement of the deceased was proved on record before the Tribunal as Ex.C3 and a perusal thereof reveals the gross salary of the deceased as ₹71,530/- per month and his annual salary comes out to ₹8,58,360/-. Thus, the Tribunal has erroneously taken the annual income of the deceased as ₹7,37,787/-. Keeping in view the above salary statement (Ex.C3), the annual income of the deceased as ₹8,58,360/- minus income tax. At the relevant point of time, the Income Tax Slab for the Financial Year 2017-18 reads as under :

INCOME SLABS	INCOME TAX RATES
Upto ₹2,50,000	NIL
₹2,50,000 to ₹5,00,000	5% of the amount exceeding ₹2,50,000
₹5,00,000 to ₹10,00,000	₹12,500/- + 20% of the amount exceeding ₹5,00,000 i.e. ₹3,58,360/-

Accordingly, the income tax payable by the deceased was ₹84,172/- per annum [₹12,500/- (5% of ₹2,50,000/-) + ₹71,672 (20% of ₹3,58,360/-)]. Thus, the annual income of the deceased comes out to be ₹7,74,188/-. [₹8,58,360 – ₹84,172 (income tax)].

9. The argument of the learned counsel for the claimant-appellants that the compensation awarded under the conventional heads as well as under the head ‘loss of consortium’ is not in accordance with the law deserves to be accepted in view of the law laid down by the Hon’ble Supreme Court in the cases of **Pranay Sethi** (supra), **Magma General Insurance Company Limited** (supra) and **N. Jayasree** (supra), hence, the claimants i.e. appellants as well as respondent No.4, would be entitled to ₹18,000/- (₹15,000+20% increase) towards loss of estate and ₹18,000/- (₹15,000+20% increase) towards funeral expenses as also to ₹48,000/- each (₹40,000+20% increase) towards loss of consortium. Accordingly, the reworked compensation is as under :

Sr.No.	**Heads**	**Compensation Awarded**	
1	Annual Income	₹7,74,188/-	
2	Deduction - 1/4th	₹5,80,641/-	[₹7,74,188 - ₹1,93,547]
3	Future Prospects - 15%	₹6,67,737/-	[₹5,80,641 + ₹87,096]
4	Multiplier - 11	₹73,45,107/-	[₹6,67,737 x 11]
5	Loss of estate	₹18,000/-	
6	Funeral expenses	₹18,000/-	
7	Loss of consortium (i) Filial [₹48,000/- x 1] (ii) Parental [₹48,000/- x 2] (iii) Spousal	 ₹48,000/- ₹96,000/- ₹48,000/- [₹1,92,000/-]	
	Total Compensation	**₹75,73,107/-**	

10. The amount in excess of and over and above the amount awarded by the Tribunal shall also attract interest @ 7.5% per annum from the date of filing of the claim petition till the realization of the entire amount.

11. In view of the decision by the Hon’ble Supreme Court in **Parminder Singh Vs. Honey Goyal & Ors. [AIR 2025 SC 1713 = 2025**

SCC OnLine SC 567], after calculation of the enhanced amount, the same be transferred by the Insurance Company in the bank account(s) of the claimants (appellants as well as respondent No.4) within six weeks from today and the apportionment thereof shall be as per the direction of the Tribunal. The particulars of the bank account(s) alongwith the requisite documents(s) in support thereof shall be furnished by the claimants to the Insurance company within a period of two weeks from the date of this order and needful shall be done by the Insurance Company after verification thereof within four weeks thereafter alongwith up-to-date interest. The compliance shall be reported by the Bank to the Tribunal concerned.

13.11.2025 **(ALKA SARIN)**
jk **JUDGE**

NOTE: Whether speaking/non-speaking: Speaking
Whether reportable: YES/NO