

128 IN THE HIGH COURT OF PUNJAB AND HARYANA
AT CHANDIGARH

FAO No.2616 of 2021 (O&M)
Date of decision : 11.12.2025

Manju and others

....Appellants

Versus

Zorawar Singh and others

...Respondents

CORAM: HON'BLE MR. JUSTICE PANKAJ JAIN

Present : Mr. Anil Rathore, Advocate for the appellants.

Mr. Gaurav, Advocate for
Mr. Rajbir Singh, Advocate for respondent No.3.

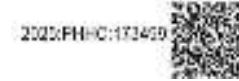
PANKAJ JAIN, J. (ORAL)

Claimants are in appeal seeking enhancement of compensation awarded by MACT, Gurugram.

2. The claim petition filed under Section 166 of the Motor Vehicles Act, 1988 relates to death of Vinod Kumar in a motor-vehicular accident, dated 15.08.2018.

3. Tribunal awarded compensation, observing as under:

“16. The petitioners has placed on record Ex.PW1/3 which is the Income Tax return Verification Form for the year 2018-19 of deceased Vinod Kumar, in which the annual income of the deceased is mentioned as ₹ 3,30,400/- and further from perusal of **Part B of Income Tax return for the assessment year 2018-19, the salary (excluding all allowance, perquisites and profit in lieu of salary) is shown as ₹ 2,40,000/-** Meaning thereby that the deceased was getting ₹2,40,000/- per annum or ₹20,000/- p.m. Hence, the monthly income of the deceased is taken as ₹ 20,000/-.



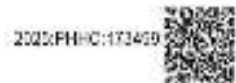
17. Learned counsel for the claimants argued that as the deceased was aged 29 years, an addition of 50% should also be awarded towards future prospects. However, as per latest precedent of the Hon'ble Supreme Court of India in **National Insurance Company Limited Versus Pranay Sethi and others decided in Special Leave Petition (Civil) No.25590 of 2014 dated 31.10.2017**, the claimants are entitled an addition of 40% of the established income as the deceased was below the age of 40 years at the time of accident. So, claimants are entitled for 40% of the established income as additional compensation for future prospectus, which comes to ₹ 20,000/- + ₹8,000/- = ₹28,000/-

18. Keeping in view the number of dependents, it may be taken that the deceased was spending 1/4th of income on himself. Hence, 1/4th is deducted as personal expenses of deceased and balance comes to ₹ 28,000/- - ₹7,000/- = ₹21,000/- per month or ₹2,52,000/- per annum.

19. Taking the age of the deceased as 29 years multiplier of 17 is appropriate which comes to ₹2,52,000/- x 17 = ₹ 42,84,000/- The claimants shall also be entitled to ₹15,000/- on account of funeral expenses and ₹40,000/- for consortium and ₹15,000/- for loss of estate, total of which comes to ₹42,84,000/- + ₹ 15,000/- + ₹ 40,000/- + ₹15,000/- = ₹43,54,000/-.

4. Counsel for the claimants submits that the Tribunal erred in ignoring the gross annual income of the deceased duly reflected in Income Tax Return for the year 2018-2019. The Tribunal was required to consider the gross salary i.e., Rs.3,30,400/- per annum, but the Tribunal excluded all allowances, perks and profits and has taken only the salary part of Rs.2,40,000/-, in consideration.

5. In the considered opinion of this Court, as per the settled proposition of law, the Tribunal erred in excluding the perks, allowances and



the profits received by the deceased and thereby pegging down the salary of the deceased from Rs.3,30,400/- to Rs.2,40,000/- per annum.

6. Accordingly, the finding recorded by the Tribunal w.r.t. salary of the deceased is set aside. Salary of the deceased is held to be Rs.3,30,400/- per annum. In view of ratio of law laid down by the Supreme Court in ‘**National Insurance Company Limited vs. Pranay Sethi and others**’, (2017) 16 SCC 680, 40% future prospects need to be added. 1/4th deduction has been rightly applied. Appropriate multiplier of 17 has been granted. Each of the claimants, is also entitled for Rs.40,000/- on account of loss of consortium in view of ratio of law laid down in ‘**Magma General Insurance Company Limited vs. Nanu Ram alias Chuhru Ram and others**’ – Civil Appeal No.9581 of 2018, *decided on 18.09.2018*. For funeral expenses, the claimants are held entitled to Rs.18,000/- and Rs.18,000/- are awarded for loss of estate.

7. With the aforesaid modification in the impugned award, the present appeal is disposed off.

8. Needless to say, the interest as well as apportionment amongst the claimants shall abide by the observations made by Tribunal in Paras No.24 and 25 of the Award.

December 11, 2025

Dpr

(Pankaj Jain)

Judge

Whether speaking/reasoned

:

Yes/No

Whether reportable

:

Yes/No