

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

FAO-3626-2010 (O&M)
Reserved on:- 12.11.2025
Pronounced on:- 15.12.2025
Uploaded On:- 15.12.2025

United India Ins. Co.

.....Appellant

vs.

Nirmal Kaur and Ors.

.....Respondents

CORAM: HON'BLE MRS. JUSTICE SUDEEPTI SHARMA

Present: Mr. Rahul Bansal, Advocate for
Mr. D.R. Bansal, Advocate
for the appellant.

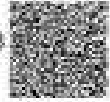
Mr. Ishan Singh Cooner, Advocate
for the respondent/claimant Nos.1 to 7.

SUDEEPTI SHARMA J.

1. The present appeal has been preferred against the award dated 01.05.2010 passed by the learned Motor Accident Claims Tribunal, Amritsar (for short, 'the Tribunal') in the claim petition filed under Section 166 of the Motor Vehicles Act, 1988, wherein, the appellant insurance company was held liable to pay the compensation to the claimants/respondents to the tune of Rs.12,13,000/-, on the ground of quantum of compensation to be on higher side.

SUBMISSIONS OF LEARNED COUNSEL FOR THE PARTIES

2. Learned counsel for the appellant-Insurance Company vehemently argues that the compensation awarded by the Tribunal is on the higher side. He further submits that the Tribunal has erroneously assessed the



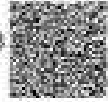
income of the deceased as Rs.10,000/- per month without any cogent evidence to that effect. He further contends that the learned Tribunal has wrongly assessed the age of deceased as 42 years, however, the age of the deceased at the time of accident was 56 years. Accordingly, he prays that the present appeal be allowed and amount of compensation be reduced as per latest law.

3. Per contra, learned counsel for the respondent/claimant Nos.1 to 7 contend that learned Tribunal has rightly taken the income and the age of the deceased-Narender Singh @ Pappu. Therefore, he prays that the present appeal be dismissed.

4. I have heard learned counsels for the parties and perused the whole record of this case with their able assistance.

5. Since in the present appeal the challenge is made only on the issue of computation of compensation, therefore, it would be apposite to reproduce findings of learned Tribunal on issue No.2:-

“11. As far as quantum of compensation is concerned, Ld. Counsel for the claimants has drawn my attention to the testimony of AW1 Nirmal Kaur widow of Narinder Singh Pappu deceased who tendered into evidence her affidavit Ex. PW-1/A and has deposed that her husband Narinder Singh @ Pappu died in a road side accident on 21.10.08 at the age of 42 yrs. He left behind claimants No. 1 to 7 as his legal heirs. She further deposed that her husband had purchased Tata 407 N. PB-10-H-9411 in Feb. 2008 for Rs. 2 lacs and since then he was plying the same and was earning Rs. 10,000/-Ber month. She further deposed that all the claimants were dependents upon the income of her husband NO evidence to rebut the abovesaid version of income being Rs. 10,000/- has come up From the above evidence, this court is of the opinion that the deceased must have been

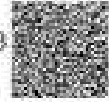


earning Rs. 10,000/- by plying the Tata 407 so the monthly income of the deceased is taken to be Rs. 10,000/-. Out of the said amount after deducting 1/3rd for his personal use, the amount which he was contributing for the claimants comes to be Rs,6700/- which on multiplying by 12 months comes to Rs. 80400/- per annum. Nirmal Kaur claimant has stated that her husband was of the age of 42 yrs at the time of his death. Taking into consideration the age of the deceased as 42 yrs this court is of the opinion that multiplier of 15 is just and proper. Therefore, the amount of compensation by applying the multiplier of 15 comes to Rs. 80400/-x 15 = Rs.12,06,000/-. The claimants are further granted Rs.2000/- as funeral charges and Rs. 5000/- as consortium to the widow/claimant No.1 and in all the amount of compensation comes to Rs.12,13,000/- to which the claimants are entitled. The respondent No.1 being driver, respondent No.2 being the owner and respondent No.3 being insurer of the offending truck are jointly and severally liable to pay the amount of compensation to the claimants. Both issues No.1 and 2 are accordingly decided favour of the claimants and against the respondents.”

SETTLED LAW ON COMPENSATION

6. Hon’ble Supreme Court in the case of **Sarla Verma Vs. Delhi Transport Corporation and Another** [(2009) 6 Supreme Court Cases 121], laid down the law on assessment of compensation and the relevant paras of the same are as under:-

“30. Though in some cases the deduction to be made towards personal and living expenses is calculated on the basis of units indicated in Trilok Chandra, the general practice is to apply standardised deductions. Having a considered several subsequent decisions of this Court, we are of the view that where the deceased was married, the

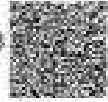


deduction towards personal and living expenses of the deceased, should be one-third (1/3rd) where the number of dependent family members is 2 to 3, one-fourth (1/4th) where the number of dependent family members is 4 to 6, and one-fifth (1/5th) where the number of dependent family members exceeds six.

31. Where the deceased was a bachelor and the claimants are the parents, the deduction follows a different principle. In regard to bachelors, normally, 50% is deducted as personal and living expenses, because it is assumed that a bachelor would tend to spend more on himself. Even otherwise, there is also the possibility of his getting married in a short time, in which event the contribution to the parent(s) and siblings is likely to be cut drastically. Further, subject to evidence to the contrary, the father is likely to have his own income and will not be considered as a dependant and the mother alone will be considered as a dependant. In the absence of evidence to the contrary, brothers and sisters will not be considered as dependants, because they will either be independent and earning, or married, or be dependent on the father.

32. Thus even if the deceased is survived by parents and siblings, only the mother would be considered to be a dependant, and 50% would be treated as the personal and living expenses of the bachelor and 50% as the contribution to the family. However, where the family of the bachelor is large and dependent on the income of the deceased, as in a case where he has a widowed mother and large number of younger non-earning sisters or brothers, his personal and living expenses may be restricted to one-third and contribution to the family will be taken as two-third.

* * * * *

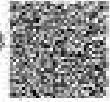


42. We therefore hold that the multiplier to be used should be as mentioned in Column (4) of the table above (prepared by applying Susamma Thomas³, Trilok Chandra and Charlie), which starts with an operative multiplier of 18 (for the age groups of 15 to 20 and 21 to 25 years), reduced by one unit for every five years, that is M-17 for 26 to 30 years, M-16 for 31 to 35 years, M-15 for 36 to 40 years, M-14 for 41 to 45 years, and M-13 for 46 to 50 years, then reduced by two units for every five years, that is, M-11 for 51 to 55 years, M-9 for 56 to 60 years, M-7 for 61 to 65 years and M-5 for 66 to 70 years.

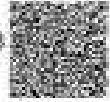
7. Hon'ble Supreme Court in the case of **National Insurance Company Ltd. Vs. Pranay Sethi & Ors. [(2017) 16 SCC 680]** has clarified the law under Sections 166, 163-A and 168 of the Motor Vehicles Act, 1988, on the following aspects:-

- (A) Deduction of personal and living expenses to determine multiplicand;
- (B) Selection of multiplier depending on age of deceased;
- (C) Age of deceased on basis for applying multiplier;
- (D) Reasonable figures on conventional heads, namely, loss of estate, loss of consortium and funeral expenses, with escalation;
- (E) Future prospects for all categories of persons and for different ages: with permanent job; self-employed or fixed salary.

8. The relevant portion of **National Insurance Company Ltd. Vs. Pranay Sethi & Ors. [(2017) 16 SCC 680]** is reproduced as under:-



“52. As far as the conventional heads are concerned, we find it difficult to agree with the view expressed in Rajesh². It has granted Rs.25,000 towards funeral expenses, Rs 1,00,000 towards loss of consortium and Rs 1,00,000 towards loss of care and guidance for minor children. The head relating to loss of care and minor children does not exist. Though Rajesh refers to Santosh Devi, it does not seem to follow the same. The conventional and traditional heads, needless to say, cannot be determined on percentage basis because that would not be an acceptable criterion. Unlike determination of income, the said heads have to be quantified. Any quantification must have a reasonable foundation. There can be no dispute over the fact that price index, fall in bank interest, escalation of rates in many a field have to be noticed. The court cannot remain oblivious to the same. There has been a thumb rule in this aspect. Otherwise, there will be extreme difficulty in determination of the same and unless the thumb rule is applied, there will be immense variation lacking any kind of consistency as a consequence of which, the orders passed by the tribunals and courts are likely to be unguided. Therefore, we think it seemly to fix reasonable sums. It seems to us that reasonable figures on conventional heads, namely, loss of estate, loss of consortium and funeral expenses should be Rs.15,000, Rs.40,000 and Rs.15,000 respectively. The principle of revisiting the said heads is an acceptable principle. But the revisit should not be fact-centric or quantum-centric. We think that it would be condign that the amount that we have quantified should be enhanced on percentage basis in every three years and the enhancement should be at the rate of 10% in a span of three years. We are disposed to hold so because that will bring in consistency in respect of those heads.



* * * * *

59.3. While determining the income, an addition of 50% of actual salary to the income of the deceased towards future prospects, where the deceased had a permanent job and was below the age of 40 years, should be made. The addition should be 30%, if the age of the deceased was between 40 to 50 years. In case the deceased was between the age of 50 to 60 years, the addition should be 15%. Actual salary should be read as actual salary less tax.

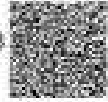
59.4. In case the deceased was self-employed (or) on a fixed salary, an addition of 40% of the established income should be the warrant where the deceased was below the age of 40 years. An addition of 25% where the deceased was between the age of 40 to 50 years and 10% where the deceased was between the age of 50 to 60 years should be regarded as the necessary method of computation. The established income means the income minus the tax component.

59.5. For determination of the multiplicand, the deduction for personal and living expenses, the tribunals and the courts shall be guided by paras 30 to 32 of Sarla Verma⁴ which we have reproduced hereinbefore.

59.6. The selection of multiplier shall be as indicated in the Table in Sarla Verma¹ read with para 42 of that judgment.

59.7. The age of the deceased should be the basis for applying the multiplier.

59.8. Reasonable figures on conventional heads, namely, loss of estate, loss of consortium and funeral expenses should be Rs 15,000, Rs 40,000 and Rs 15,000 respectively. The aforesaid amounts should be enhanced at the rate of 10% in every three years.”



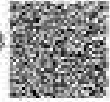
9. Hon'ble Supreme Court in the case of **Magma General Insurance Company Limited Vs. Nanu Ram alias Chuhru Ram & Others [2018(18) SCC 130]** after considering **Sarla Verma (supra)** and **Pranay Sethi (Supra)** has settled the law regarding consortium. Relevant paras of the same are reproduced as under:-

“21. A Constitution Bench of this Court in Pranay Sethi² dealt with the various heads under which compensation is to be awarded in a death case. One of these heads is loss of consortium. In legal parlance, "consortium" is a compendious term which encompasses "spousal consortium", "parental consortium", and "filial consortium". The right to consortium would include the company, care, help, comfort, guidance, solace and affection of the deceased, which is a loss to his family. With respect to a spouse, it would include sexual relations with the deceased spouse.

*21.1. **Spousal consortium** is generally defined as rights pertaining to the relationship of a husband-wife which allows compensation to the surviving spouse for loss of "company, society, cooperation, affection, and aid of the other in every conjugal relation".*

*21.2. **Parental consortium** is granted to the child upon the premature death of a parent, for loss of "parental aid, protection, affection, society, discipline, guidance and training".*

*21.3. **Filial consortium** is the right of the parents to compensation in the case of an accidental death of a child. An accident leading to the death of a child causes great shock and agony to the parents and family of the deceased. The greatest agony for a parent is to lose their child during their lifetime. Children are valued for their*



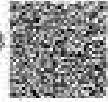
love, affection, companionship and their role in the family unit.

22. Consortium is a special prism reflecting changing norms about the status and worth of actual relationships. Modern jurisdictions world-over have recognised that the value of a child's consortium far exceeds the economic value of the compensation awarded in the case of the death of a child. Most jurisdictions therefore permit parents to be awarded compensation under loss of consortium on the death of a child. The amount awarded to the parents is a compensation for loss of the love, affection, care and companionship of the deceased child.

23. The Motor Vehicles Act is a beneficial legislation aimed at providing relief to the victims or their families, in cases of genuine claims. In case where a parent has lost their minor child, or unmarried son or daughter, the parents are entitled to be awarded loss of consortium under the head of filial consortium. Parental consortium is awarded to children who lose their parents in motor vehicle accidents under the Act. A few High Courts have awarded compensation on this count. However, there was no clarity with respect to the principles on which compensation could be awarded on loss of filial consortium.

24. The amount of compensation to be awarded as consortium will be governed by the principles of awarding compensation under "loss of consortium" as laid down in Pranay Sethi². In the present case, we deem it appropriate to award the father and the sister of the deceased, an amount of Rs 40,000 each for loss of filial consortium.

10. On perusal of the award, it is manifest that the learned Tribunal has rightly placed reliance upon the testimony of PW-1 Nirmal Kaur, widow



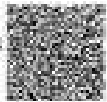
of the deceased, who categorically deposed that her husband had purchased Tata 407N bearing registration No. PB-10-H-9411 in February, 2008 for a consideration of ₹2 lakhs and was plying the said vehicle for earning his livelihood. She further testified that the deceased was earning ₹10,000/- per month from the said vehicle. Significantly, no evidence whatsoever was led by the respondent-Insurance Company to controvert or rebut the said version regarding the income of the deceased.

11. In the absence of any rebuttal evidence, the learned Tribunal was fully justified in accepting the unimpeached and cogent oral testimony of PW-1 for the purpose of assessing the income of the deceased.

12. Further, Hon'ble Supreme Court in **K. Ramya v. National Insurance Co. Ltd., 2022(4) RCR (Civil) 435**, held that the Motor Accident Claims Tribunal enjoy sufficient latitude in awarding "just compensation" and are not fettered by rigid formulae or strict evidentiary standards as in civil suits. Interference at the appellate stage is warranted only when the award is manifestly excessive, arbitrary, or contrary to settled principles.

13. In the present case, the findings recorded by the learned Tribunal are well-founded and call for no interference.

14. As regards the contention raised on behalf of the appellant-Insurance Company that the age of the deceased ought to have been taken as 56 years instead of 42 years, the same is wholly without merit. Except for a bald assertion, no material or evidence was produced to substantiate the said plea. In contrast, the learned Tribunal rightly relied upon the sworn testimony of PW-1, which clearly established the age of the deceased as 42 years at the



time of the accident. A mere submission, unsupported by evidence, cannot be accepted.

15. In view of the above discussion, the impugned award does not suffer from any legal infirmity or perversity. Consequently, the present appeal, being devoid of merit, is **dismissed**.

16. The statutory amount of Rs.25,000/- deposited by the appellant-Insurance Company at the time of admission of the appeal, is ordered to be refunded to them.

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

15.12.2025

Saahil

(SUDEEPTI SHARMA)
JUDGE

Whether speaking/non-speaking : Yes/No
Whether reportable : Yes