



247-1

IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH

FAO-5971-2016 (O&M)
Date of Decision : 11.11.2025

Rakesh Kumar @ Rinku ... Appellant

Versus

Deepak Kumar and Others ... Respondent

CORAM : HON'BLE MRS. JUSTICE ALKA SARIN

Present : Mr. S.S. Antal, Advocate for the appellant.
Mr. Punit Jain, Advocate and
Mr. Ajay Singla, 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, Patiala (hereinafter referred to as the ‘Tribunal’) vide award dated 21.05.2016 on account of death of Simran (hereinafter referred to as the ‘deceased’).
2. 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 herein for the sake of brevity.
3. The Tribunal in the present case had awarded the following compensation :

Sr. No.	Heads	Compensation Awarded
1	Notional income	₹15,000/-
2	Multiplier – 15	[₹15,000 x 15] = ₹2,25,000/-

3	Funeral expenses	₹25,000/-
4	Loss of love and affection	₹1,00,000/-
	Total Compensation	₹3,50,000/-
	Interest	@ 6% per annum

4. Learned counsel for the claimant-appellant would contend that the amount of compensation awarded by the Tribunal is on the lower side. Learned counsel for the claimant-appellant would further contend that the Tribunal has assessed the notional income of the deceased as only ₹15,000/- per annum and has applied a multiplier of ‘15’, which ought to have been as per the minimum wages applicable to a skilled worker with a multiplier of ‘18’. Learned counsel for the claimant-appellant would further contend that the Tribunal has not made any addition towards loss of future prospects, which ought to have been 40%. In support of his contentions, he has relied upon judgments of the Hon’ble Supreme Court in the cases of **Baby Sakshi Greola vs. Manzoor Ahmad Simon & Anr. [2025 (1) RCR (Civil) 238]**, **Kajal vs. Jagdish Chand & Ors. [2020 (2) RCR (Civil) 27]**, **Karuna Parmar vs. Prakash Sinha & Ors. [Civil Appeal No.2317 of 2025 arising out of SLP (C) No.6428 of 2023 decided 11.02.2025]** and **Hitesh Nagjibhai Patel vs. Bababhai Nagjibhai Rabari & Anr. [2025 INSC 1070]**.

5. *Per contra* learned counsel for respondent No.3 would contend that the Tribunal has rightly assessed the income of the deceased as ₹15,000/- per annum and the multiplier of ‘15’ has also correctly been applied and that there is no scope of enhancement. He would further contend that the amount awarded by the Tribunal towards funeral expenses as well as loss of love and affection is on the higher side. He has relied upon judgments of the Hon’ble Supreme Court in the cases of **Reshma Kumari & Ors. vs. Madan Mohan**

& Anr. [2013 (2) RCR (Civil) 660] and National Insurance Company Ltd. vs. Pranay Sethi & Ors. [(2017) 16 SCC 680].

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

7. In the present case, the deceased was a 9 years old female child and the claimant is her father. Vide the impugned award the Tribunal has awarded a compensation of ₹3,50,000/- by notionally assessing the income of the deceased as ₹15,000/- per annum and applying a multiplier of '15' which, in the opinion of this Court, is on the lower side keeping in view the fact that the Motor Vehicles Act, 1988 is a welfare legislation and also the recent judgments of the Hon'ble Supreme Court. Hon'ble Supreme Court in the case of **Karuna Parmar** (supra) while relying on the judgment in the case of **Baby Sakshi Greola** (supra), awarded the compensation in the case of a 6 years' old child who had died in an accident which occurred on 07.03.2014 as per the minimum wages applicable for a skilled worker in the year 2014. Further, in the case of **Hitesh Nagjibhai Patel** (supra) Hon'ble Supreme Court has held as under :

“9. On the aspect of monthly income of the minor appellant, we are inclined to interfere with the judgment and order of the Courts below. In the present case, it is evident that the Courts below have failed to take into account the monthly income of the appellant while determining the quantum of compensation. It is now a well-entrenched and consistently reiterated principle of law that a minor child who suffers death or permanent disability in a motor vehicle accident, cannot be placed in the same category as a non-earning individual for the

purposes of assessing the amount of compensation because the child was not engaged in gainful employment at the time of the accident. In such a case, the computation of compensation under the head of loss of income ought to be made by adopting, at the very least, the minimum wages payable to a skilled workman as notified for the relevant period in the respective State where the cause of action arises. The said observation was rendered by this Court, in *Kajal Vs. Jagdish Chand & Ors.* [2020 (2) RCR (Civil) 27], and of *Baby Sakshi Greola Vs. Manzoor Ahmad Simon & Anr.* [2025 (1) RCR (Civil) 238].”

8. Their Lordships in the above referred cases assessed the income of the deceased as per the minimum wages applicable to a skilled worker by applying a multiplier of ‘18’ besides granting future prospects and compensation under the other heads. Taking a cue from the afore-referred judgments, this Court deems it appropriate to assess the income of the deceased in the present case as per the minimum wage for a skilled worker as applicable in the State of Punjab at the time of accident, which took place on 31.07.2015, which were ₹8,530/- per month and a multiplier of ‘18’ would be applicable.

9. Further, since no addition has been made by the Tribunal towards loss of future prospects, an addition of 40% would be made and keeping in view the age of the child, 50% deduction would also be applicable. Further, the compensation awarded under the conventional heads and under the head ‘loss of consortium’ is not as per the law laid down by the Hon’ble Supreme Court in the cases of **Pranay Sethi** (supra), **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]**, hence, the claimant 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/- (₹40,000+20% increase) towards loss of consortium. Accordingly, the reworked compensation is as under :

Sr. No.	Heads	Compensation Awarded
1	Monthly Income	₹8,530/-
2	Annual Income	₹1,02,360/- [₹8,530 x 12]
3	Deduction - 50%	₹51,180/- [₹1,02,360 - ₹51,180]
4	Future Prospects - 40%	₹71,652/- [₹51,180 + ₹20,472]
5	Multiplier - 18	₹12,89,736/- [₹71,652 x 18]
6	Loss of estate	₹18,000/-
7	Funeral expenses	₹18,000/-
8	Loss of consortium (i) Filial [₹48,000/- x 1]	₹48,000/-
	Total Compensation	₹13,73,736/-

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 of the claimant within six weeks from today. The particulars of the bank account alongwith the requisite documents in support thereof shall be furnished by the claimant 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.

12. In view of the above discussion, the present appeal is allowed and the award passed by the Tribunal stands modified accordingly. Pending applications, if any, also stand disposed off.

11.11.2025

jk

(ALKA SARIN)
JUDGE

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