

2025.PHHC:153912



FAO-3856-2018 (O&M)

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

FAO-3856-2018 (O&M)

Reserved on: 29.09.2025

Pronounced on: 04.11.2025

KAMLESH AND ANOTHER**....Appellants****Vs.****HARI RAM AND OTHERS****.....Respondents****CORAM: HON'BLE MR. JUSTICE HARKESH MANUJA**

Present: Mr. Pankaj Bali, Advocate
for the appellants.

Mr. Punit Jain, Advocate
for respondent No. 3-Insurance Company.

HARKESH MANUJA, J.

[1]. By way of present appeal, challenge has been laid to an award dated 21.11.2016 passed by the learned Motor Accident Claims Tribunal, Karnal (for brevity, "the Tribunal"), whereby an amount of Rs. 14,37,200/- was awarded as compensation to the appellant/claimant along with interest @ 9% per annum from the date of award till its realization.

FACTS

[2]. A claim petition came to be filed before the Ld. Tribunal, praying for grant of compensation to the tune of Rs. 30,00,000/- (Rupees thirty lakhs only) along with interest @ 24% per annum on account of death of Parmod Kumar in a vehicular accident which took place on 25.05.2014 while alleging rash and negligent driving of respondent No.1-driver.

[3]. After going through the pleadings and evaluating the evidence led by both the parties, Learned Tribunal arrived at a conclusion that the accident occurred on account of rash and negligent driving of respondent No.1/driver; holding all the respondents jointly and severally liable, awarded compensation in

the following manner:-

S.No.	Heads of Claim	Amount (in Rs.)
1.	Compensation	Rs. 13,12,200/-
2.	Funeral expenses and conveyance charges	Rs. 25,000/-
3.	Loss of estate & love and affection	Rs. 1,00,000/-
	Total	Rs. 14,37,200/-

Further, liability was jointly and severally fastened upon the driver, the owner and the Insurance Company and the compensation amount was ordered to be disbursed in the ratio of 65:35.

[4]. Being aggrieved of the award dated 21.11.2016 passed by the Ld. Tribunal, the present appeal was preferred by the appellants/claimants for enhancement of compensation. Facts, as specified in the claim petition, about the manner of the accident and the issue regarding negligence of the driver recorded in the favour of the appellants/claimants by the Ld. Tribunal, being not assailed, are not being repeated here for the sake of brevity.

ARGUMENTS

[5]. Learned counsel for the appellants assailed the award while submitting that earning of deceased, was to the tune of Rs. 15,000/- per month as he was a labourer and was also running a milk dairy. It was further submitted that the above fact was duly proved from the deposition of claimants which was not rebutted by the respondents by leading any evidence and therefore, Ld. Tribunal went wrong while having assessed monthly income @ Rs. 8,100/- per month. Furthermore, it was submitted that the amount of compensation granted under conventional heads is not in consonance with the settled law, therefore, he prayed for enhancement of compensation as per latest decisions on the subject.

[6]. Per contra, learned counsel representing respondent No. 3-Insurance Company neither refuted the factum of accident nor even the negligence of the

offending vehicle, however submitted that in the facts of the present case, the compensation assessed by the Tribunal called for no interference.

DISCUSSION

[7]. I have heard learned counsels for the parties and perused the paper-book of the case. I find force in the arguments advanced by learned Counsel for the appellants.

QUESTION OF INCOME ASSESSED

[8]. In the present case, the appellants/claimants, submitted that the deceased was working as a labourer and also running a milk dairy thus, earning Rs. 15,000/- per month. Although, no documentary evidence to support the income of the deceased was placed before the Tribunal, thus, learned Tribunal assessed the monthly income of deceased @ Rs. 8,100/- per month considering him as a casual labourer. It is a matter of common knowledge that a person engaged in manual labour coupled with agricultural or dairy-related activities would have a reasonable and steady source of income, sufficient to maintain himself and contribute to his family. Considering the age, nature of work, and prevalent minimum wages applicable to unskilled/skilled labourers during the relevant period, and keeping in view the additional income likely to be generated from the dairy business, this Court reasonably assesses the monthly income of the deceased at (Rs. 286 x 30) Rs. 8,580 per month rounding off to Rs. 8,600/-, which shall form the basis for computation of compensation.

[9]. The Hon'ble Supreme Court in the case of **"Sarla Verma Vs. Delhi Transport Corporation and Another"** reported as **2009 (3) RCR (Civil) 77**, held that in case the deceased is a bachelor and the claimants are the parents, the deduction follows a different principle and with regard to bachelors, 50% needs to be deducted as personal and living expenses. Relevant para of the judgment is

culled out as under:-

“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 dependent and the mother alone will be considered as a dependent. In the absence of evidence to the contrary, brothers and sisters will not be considered as dependents, 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 dependent, 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.”

[10]. In the case at hand, the deceased was a 20 year old bachelor and was survived by his parents, Evidently, being the earning member of the family, the deceased would have been under a moral and social obligation to contribute some amount towards the maintenance of his parents, in discharge of his filial and pious obligation. In such circumstances, it can be reasonably inferred that the deceased would have been saving a considerable portion of his income for the benefit and welfare of his dependants as well as for his future needs like marriage etc, rather than expending the same solely for his personal use. With all due

respect, according to the ratio laid down by the Hon’ble Supreme Court in Sarla Verma’s case, the deduction towards personal and living expenses of the deceased comes out to be 1/2nd, but keeping in mind the facts and circumstances of the case in hand and the above-mentioned reasons, the deduction is assessed @ 40% of the income.

[11]. Furthermore, in view of the judgments of the Hon’ble Apex Court in Smt. Sarla Verma’s case (supra), “National Insurance Co. Ltd. vs. Pranay Sethi and others” reported as (2017) 16 SCC 680 and “United India Insurance Co.Ltd. vs. Satinder Kaur”, reported as (2021) 11 SCC 780, compensation awarded under conventional heads are also required to be assessed separately. Appellants/claimants are thus, held entitled for Rs. 18,000/- as compensation under funeral head and Rs. 18,000/- towards loss of estate. Loss of consortium is assessed to the tune of Rs. 96,000/- (Rs. 48,000 x 2) as the appellants, being parents of deceased are also entitled for filial consortium.

CONCLUSION

[12]. In view of the discussion made herein above, the appellants are held entitled to grant of compensation in the following manner:-

S.No	Nature	Amount (in Rs.)
1.	Annual Income of Deceased	Rs. 1,03,200/-
2.	Add 50% Future Prospects	Rs. 51,600/-
3.	Total Income (Rs. 1,03,200 + Rs. 51,600)	Rs. 1,54,800/-
4.	Deduction (40%)	Rs. 61,920/-
5.	Net Income (Rs. 1,54,800 – Rs. 61,920)	Rs. 92,880/-
6.	Loss of Income after applying multiplier of 18 as per age of 20 years (92,880 x 18)	Rs. 16,71,840/-
7.	Funeral Expenses	Rs. 18,000/-
8.	Loss of Estate	Rs. 18,000/-

9.	Loss of Consortium (48,000 x 2)	Rs. 96,000/-
	Total Compenation	Rs. 18,03,840
	Amount Awarded by the Tribunal	Rs. 14,37,200/-
	Enhanced Compensation	Rs. 3,66,640/-

Thus, the appellants are entitled to Rs. 3,66,640/- towards enhanced compensation, to be shared equally among themselves.

[13]. In the view of the observations made by the Hon’ble Supreme Court in “Smt. Supe Dei and others vs. National Insurance Company Limited and other, reported as (2009) (4) SCC 513 approved in a subsequent judgment titled as “Puttamma and others vs. K.L. Narayana Reddy and another, 2014 (1) RCR (Civil) 443, the grant of interest @ 9% per annum on the amount of compensation awarded to the claimants from the date of institution of claim petition till its realization is justified. In case the said amount is not paid within three months, the same shall be payable thereafter along with 12% interest from the expiry of period of three months from today. Needless to mention here that the amount of compensation already paid to the claimants shall be deducted from the enhanced compensation.

[14]. In view of the aforesaid modification, the present appeal stands disposed of.

[15]. Pending miscellaneous application(s) if any, shall also stand disposed of.

November 04, 2025
Tejwinder

(HARKESH MANUJA)
JUDGE