315-1

IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH

FAO-5430-2022 (O&M)
Date of Decision : 29.10.2025

MANJIT SINGH AND ORS .... Appellants

VERSUS

SHAM LAL AND OTHERS .... Respondents

CORAM : HON'BLE MRS. JUSTICE ALKA SARIN

Present : Mr. S.S. Sandhu, Advocate for
Mr. S.S. Swaich, Advocate for the appellants.

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

ALKA SARIN, J. (ORAL)

1. As per the report of the Mediator, the mediation was a non-starter.

2. The present appeal has been preferred by the claimant-appellants aggrieved by the quantum of compensation awarded by the Motor Accident Claims Tribunal, Fatehgarh Sahib (hereinafter referred to as the 'Tribunal') vide award dated 08.08.2022.

3. 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.

4. The deceased in the present case was 20 years of age at the time of accident i.e. 26.05.2020. The claim petition was preferred by his parents and sister. It has been averred in the claim petition that the deceased was a

student of B.Com 2nd year at the time of the accident and was also doing part time job as Clerk-cum-Accountant in M/s Dindsa Traders Commission Agents, Sirhind Mandi and was earning ₹15,000 per month. Though it was averred that the deceased was earning ₹15,000 per month, however, Mehar Singh – Proprietor of the firm where the deceased was stated to have been working – had stepped into the witness box as CW2 and disclosed that the deceased was earning ₹10,000 per month. Initially the Tribunal in the present case had made a deduction of 1/3rd vide the impugned award; however, the deduction was modified vide order dated 26.08.2022 to 1/2. Thereafter, the Tribunal awarded the following compensation :

Sr. No.	Heads	Compensation Awarded
1.	Monthly income	₹9,179
2.	Future prospects @40%	[₹9,179 + ₹3,671] = ₹12,850
3.	Deduction 1/2	[₹12,850 - ₹6,425] = ₹6,425
4.	Annual income	[₹6,425 x 12] = ₹77,100
5.	Multiplier of 18	[₹77,100 x 18] = ₹13,87,800
6.	Funeral expenses	₹16,500
7.	Loss of estate	₹16,500
8.	Loss of consortium	₹1,32,000 [₹44,000 x 3]
	Total Compensation	**₹15,52,800**
	Interest	**@ 7.5% per annum**

5. Learned counsel for the claimant-appellants would contend that the deceased in the present case was a B.Com 2nd year student and was also working part time and that his employer had stepped into the witness box as CW2. It is further the contention of the learned counsel that the income of the deceased ought to have been assessed notionally keeping in view the fact that he was a B.Com 2nd year student. In support of his argument, learned counsel

has relied upon the judgment of the Hon'ble Supreme Court in the case of **S. Vasanthi and Anr. V/s M/s Adhiparasakthi Engg. College & Anr. [2022 (4) RCR (Civil) 837]**. Learned counsel would still further contend that though the claimant-appellants do not challenge the deduction, the addition made towards future prospects and the multiplier as applied by the Tribunal, however, the amounts awarded under the conventional heads i.e. funeral expenses and loss of estate and under the head loss of consortium are 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]**.

6. *Per contra*, the learned counsel for respondent No.3-Insurance Company has vehemently argued that sufficient amount has already been awarded as compensation in the present case and that there is no scope of any enhancement. Learned counsel would further contend that as per the law laid down in the cases of **Kajal vs. Jagdish Chand & Ors. [2020 (2) RCR (Civil) 27]**, **Baby Sakshi Greola vs. Manzoor Ahmad Simon & Anr. [2025 (1) RCR (Civil) 238]** and **Karuna Parmar vs. Prakash Sinha & Ors. [2025 (1) TAC 730]**, the income of the deceased ought to have assessed as that of a skilled worker which was ₹10,855 at the relevant time. It is still further the contention of the learned counsel that even if the averments of the parents and

the sister of the deceased are to be believed, the deceased was earning ₹10,000 per month only.

7. Heard.

8. In the present case learned counsel for the claimant-appellants has relied upon the judgment of the Hon'ble Supreme Court in the case of **S. Vasanthi** (supra) to contend that notional income of the deceased ought to have been assessed keeping in view the fact that he was a B.Com 2nd year student. The said argument of the learned counsel for the claimant-appellants cannot be accepted inasmuch as in the case of **S. Vasanthi** (supra), the deceased was a qualified engineering graduate and was pursuing his MBA degree at SRM University to further his professional capabilities and as such his income was assessed as ₹30,000 per month. The deceased herein was a student of B.Com 2nd year and as such learned counsel for the claimant-appellants cannot gain any advantage from the said judgment. The Hon'ble Supreme Court in the case of **Baby Sakshi Greola** (supra), while relying upon the case of **Kajal** (supra), assessed the notional income of a 7-year-old child, who had received injuries, on the basis of minimum wages payable to a skilled worker. Still further, the Hon'ble Supreme Court recently in the case of **Karuna Parmar** (supra), yet again relying on **Baby Sakshi Greola** (supra), awarded the compensation in the case of a 6-year-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. The minimum wages of a skilled worker at the time of the accident, i.e. 26.05.2020 were ₹10,855 per month. Hence, the income of the deceased is assessed as ₹10,855 per month.

Since there is no challenge to the deduction, the addition made towards future prospects and the multiplier as applied by the Tribunal, the same are upheld.

9. Further, the amounts awarded under the conventional heads and under the head loss of consortium are not in consonance with the law laid down by the Hon'ble Supreme Court. Hence, as per 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), the claimant-appellants would be entitled to ₹18,000 (₹15,000 + 20% increase) towards loss of estate and ₹18,000 (₹15,000 + 20% increase) towards funeral expenses. The claimant-appellants, being the parents and the sister of the deceased, would also be entitled to ₹48,000 each (₹40,000 + 20% increase) under the head filial consortium.

10. Accordingly, the reworked compensation to which the claimant-appellants are entitled is as under :

Sr. No.	Heads	Compensation Awarded
1.	Monthly income	₹10,855
2.	Annual income	[₹10,855 x 12] = ₹1,30,260
3.	Deduction 1/2	[₹1,30,260 - ₹65,130] = ₹65,130
4..	Future prospects @40%	[₹65,130 + ₹26,052] = ₹91,182
5.	Multiplier 18	[₹91,182 x 18] = 16,41,276
6.	Loss of estate	₹18,000
7.	Funeral expenses	₹18,000
8.	Loss of Consortium : (ii) Filial	[₹48,000 x 3] = ₹1,44,000
	Total Compensation	**₹18,21,276**

11. 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. The amount shall be apportioned between the claimant-appellants as directed by the Tribunal.

12. In view of the decision by the Hon'ble Supreme Court in **Parminder Singh vs. Honey Goyal & Ors. [AIR 2025 (SC) 1713]**, after calculation of the enhanced amount, the same be transferred by respondent No.3-Insurance Company in the bank account(s) of the claimant-appellants within a period of six weeks from today. The particulars of the bank account(s) along with the requisite documents in support thereof shall be furnished by the claimant-appellants to respondent No.3-Insurance company within a period of two weeks from today and needful shall be done by respondent No.3-Insurance Company after verification thereof within a period of four weeks thereafter along with up-to-date interest. The compliance shall be reported by the Bank to the Tribunal concerned.

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

29.10.2025 **(ALKA SARIN)**
Aman Jain **JUDGE**

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