

IN THE HIGH COURT OF PUNJAB & HARYANA
AT CHANDIGARH

FAO-442-2020 (O&M)
Reserved on: 26.11.2025
Date of decision: 29.11.2025
Uploaded on: 29.11.2025

AKBARI AND ORS

.....Appellants

Vs.

HAMID KHAN AND ORS

.....Respondents

CORAM: HON'BLE MRS. JUSTICE SUDEEPTI SHARMA

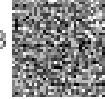
Present: Mr. Roshan Lal Saini, Advocate
for Mr. Tushar Gautam, Advocate
for the appellants.

Ms. Gursimran Kaur, Advocate
for Mr. Puneet Sharma, Advocate
for respondent No.3.

SUDEEPTI SHARMA J.

CM-437-CII-2020

1. This is an application filed under Section 5 of the Limitation Act, 1963 for condonation of delay of 120 days in filing the appeal.
2. Notice in the application.
3. On asking of the Court, Ms. Gursimran Kaur, Advocate accepts notice on behalf of respondent No.3 and contends that she has no objection if the application is allowed.
4. The delay of 120 days in filing the appeal is condoned.

**FAO-442-2020**

5. The present appeal has been preferred against the award dated 29.05.2019 passed in the claim petition filed under Section 166 of the Motor Vehicles Act, 1988 (in short '1988 Act'), by the learned Motor Accident Claims Tribunal, Nuh (in short 'the Tribunal') for enhancement of compensation, granted to the appellants/claimants to the tune of Rs.15,03,664/- on account of death of deceased Munfed in a Motor Vehicular Accident, occurred on 14.08.2017.

6. As sole issue for determination in the present appeal is confined to quantum of compensation awarded by the learned Tribunal, a detailed narration of the facts of the case is not required to be reproduced and is skipped herein for the sake of brevity.

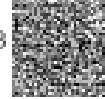
SUBMISSIONS OF LEARNED COUNSEL FOR THE PARTIES

7. The learned counsel for the appellants/claimants contends that the compensation awarded by the learned Tribunal is on the lower side and deserves to be enhanced.

8. Therefore, he prays that the present appeal be allowed and the compensation awarded to the appellants/claimants be enhanced, as per latest law.

9. *Per contra*, learned counsel for the respondent No.3, however, vehemently argues on the lines of the award and contends that the amount of compensation as assessed by Ld. Tribunal, has rightly been granted to the appellants/claimants. Therefore, she prays for dismissal of the present appeal.

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

**SETTLED LAW ON COMPENSATION**

11. 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.

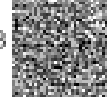
31. Where the deceased was a bachelor and the claimants are the parents, the deduction follows a different principle. In regard to bachelors, normally, 50% is deducted as personal and living expenses, because it is assumed that a bachelor would tend to spend more on himself. Even otherwise, there is 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 d 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.

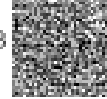


12. Hon'ble Supreme Court in the case of **National Insurance Company Ltd. Vs. Pranay Sethi & Ors.** [(2017) 16 SCC 680] has clarified the law under Sections 166, 163-A and 168 of the Motor Vehicles Act, 1988, on the following aspects:-

- (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.

The relevant portion of the judgment 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.

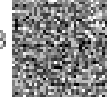
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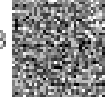


59.3. While determining the income, an addition of 50% of actual salary to the income of the deceased towards future prospects, where the deceased had a permanent job and was below the age of 40 years, should be made. The addition should be 30%, if the age of the deceased was between 40 to 50 years.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



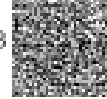
59.7. The age of the deceased should be the basis for applying the multiplier.

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.”

13. 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*



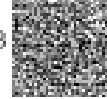
"company, society, cooperation, affection, and aid of the other in every conjugal relation".

*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.

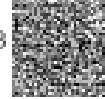
23. The Motor Vehicles Act is a beneficial legislation aimed at providing relief to the victims or their families,



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.

14. A perusal of the impugned award reveals that the deceased was 31 years of age at the time of the accident and was working as a truck driver, allegedly earning Rs.50,000/- per month. However, in the absence of any documentary evidence to substantiate the said income, the learned Tribunal rightly resorted to assessing the income of the deceased based on the minimum wages applicable to unskilled labour at the relevant time. However, the income as assessed by the learned Tribunal is not in accordance with the prevailing minimum wage notifications. As per the notified minimum wages applicable to unskilled workers during the relevant



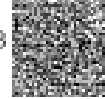
period, the correct monthly income ought to have been assessed at Rs.8,827/-. Therefore, the monthly income of the deceased may be reasonably rounded off and **reassessed at Rs.9,000/-**.

15. Now, coming to the deduction towards personal and living expenditure. The learned Tribunal has erred in deducting 1/3rd of income on the premise that only widow and minor son were dependents of the deceased. The learned Tribunal failed to appreciate that the parents and minor sisters of the deceased, being legal representatives were also entitled to be treated as dependents for the purpose of computation of compensation.

16. Section 166 (c) of '1988 Act' expressly provides that where death has resulted from the accident all or any of the legal representatives of the deceased may prefer a claim for compensation. The relevant portion of Section 166 of '1988 Act' reads as follows:-

“166. Application for compensation.—(1) An application for compensation arising out of an accident of the nature specified in sub-section (1) of section 165 may be made—
(a) by the person who has sustained the injury; or
(b) by the owner of the property; or
(c) where death has resulted from the accident, by all or any of the legal representatives of the deceased; or
XXXXX XXXXX XXXXX”

17. Moreover, the Hon'ble Supreme Court in its recent pronouncement titled as **Sadhna Tomar and others Vs. Ashok Kushwaha and others, 2025 SCC online SC 554**, has categorically clarified the scope and ambit of the term 'Legal Representatives'. The Court held that legal representatives are not confined merely to those who inherit the estate of the deceased but extend to all persons who suffer on account of death of the

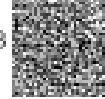


deceased, including those financially dependent upon him. The relevant portion of the same is reproduced as under:-

*“13. This Court has clarified in the case of **Meena Devi v. Nunu Chand Mahto [(2023) 1 SCC 204]**, that the objective of granting compensation under the Motor Vehicles Act, 1988, is to ensure that just and fair compensation is paid to the aggrieved party. Another question which arose for our consideration, as for the purpose of loss of dependency, the deduction of annual income should be 1/3rd or 1/4th, as there are five claimants. The Tribunal did not consider appellant Nos.4 and 5, namely, the father and the younger sister, respectively, of the deceased as dependents, stating therein that the father was not dependent on the income of the deceased and since the father is alive, the younger sister is also not dependent on the income of the deceased. This Court in Gujarat **SRTC v. Ramanbhai Prabhatbhai [(1987) 3 SCC 234]**, observed that a legal representative is one, who suffers on account of death of a person due to a motor vehicle accident and need not necessarily be a wife, husband, parent or child.*

*14. Recently in **N. Jayasree v. Cholanandalam MS General Insurance Company Ltd. [(2022) 14 SCC 712]**, this Court observed that:*

“16. In our view, the term “legal representative” should be given a wider interpretation for the purpose of Chapter XII of the MV Act and it should not be confined only to mean the spouse, parents and children of the deceased. As noticed above, the MV Act is a benevolent legislation enacted for the object of providing monetary relief to the victims or their families. Therefore, the MV Act calls for a liberal and wider interpretation to serve the real purpose underlying the enactment and fulfil its



legislative intent. We are also of the view that in order to maintain a claim petition, it is sufficient for the claimant to establish his loss of dependency. Section 166 of the MV Act makes it clear that every legal representative who suffers on account of the death of a person in a motor vehicle accident should have a remedy for realisation of compensation.”

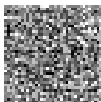
18. In view of the judgment referred to above and the facts and circumstances of the case, the parents and the minor sisters of the deceased clearly falls within the definition of legal representatives and, therefore, must be treated as dependents for the purpose of determining appropriate deduction from the income of the deceased.

19. Accordingly, the deduction towards personal expenditure will be **1/5th instead of 1/3rd** in consonance with the well settled principles on compensation.

20. A further perusal of the award reveals that the amount awarded under the head of loss of estate, loss of funeral expenses and amount awarded for loss of consortium is on the lower side and deserves to be enhanced. Therefore, the award requires indulgence of this Court.

CONCLUSION

21. In view of the law laid down by the Hon'ble Supreme Court in the above referred to judgments, the present appeal is allowed. The award dated 29.05.2019 passed by the learned Motor Accident Claims Tribunal, Nuh is modified accordingly. The appellants-claimants are entitled to the enhanced amount of compensation from the respondents, as per the calculations made here-under:-



<i>Sr. No.</i>	<i>Heads</i>	<i>Compensation Awarded</i>
1	Monthly Income	Rs.9,000/-
2	Future prospects @ 40%	Rs.3,600/- (9000 X 40%)
3	Deduction towards personal expenditure 1/5th	Rs.2,520/- (12600 X 1/5)
4	Total Income	Rs.10,080/- (12600-2520)
5	Multiplier	16
6	Annual Dependency	Rs.19,35,360/- (10080X12X16)
7	Loss of Estate	Rs.18,150/-
8	Funeral Expenses	Rs.18,150/-
9	Loss of Consortium Spousal : Rs. 48,400/-x 1 Parental : Rs.48,400/- x 1 Fillial : Rs.48,400/- x 5	Rs.3,38,800/-
10	Total Compensation	Rs.23,10,460/-
11	Deduction Amount Awarded by the Tribunal	Rs.15,03,664/-
12	Enhanced amount	Rs.8,06,796/- (23,10,460-15,03,664)

22. So far as the interest part is concerned, as held by Hon’ble Supreme Court in **Dara Singh @ Dhara Banjara Vs. Shyam Singh Varma** 2019 ACJ 3176 and **R.Valli and Others VS. Tamil Nandu State Transport Corporation** (2022) 5 Supreme Court Cases 107, the amount so calculated shall carry an interest @ 9% per annum from the date of filing of the claim petition, till the date of realization.

23. The respondent No.3 is directed to deposit the enhanced amount along with interest with the Tribunal within a period of two months from the date of receipt of copy of this judgment. The Tribunal is directed to disburse the same to the appellants-claimants in their bank accounts. The appellants-claimants are directed to furnish their bank account details to the Tribunal.



24. Pending applications, if any, also stand disposed of.

(SUDEEPTI SHARMA)
JUDGE

29.11.2025
Ayub

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