FAO-939-2024 (O&M)

IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH

FAO-939-2024 (O&M)
Reserved on: 12.11.2025
Pronounced on: 16.12.2025
Uploaded on: 17.12.2025

AMARJEET KAUR AND OTHERS .....Appellants

Vs.

BHUPESH KUMAR GUPTA AND ANOTHER ...Respondents

CORAM: ***HON'BLE MR. JUSTICE HARKESH MANUJA***

Present: Mr. Sanjay Jain, Advocate
for the appellants.

Mr. Sandeep Suri, Advocate
for respondent- Insurance Company.

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HARKESH MANUJA, J.

1. By way of present appeal, challenge has been laid to an award dated 16.09.2023 passed by the learned Motor Accident Claims Tribunal, Ambala (for brevity, "the Tribunal"), whereby an amount of Rs. 20, 68,710.40/- was awarded as compensation to the appellants/claimants along with interest @ 9% per annum from the date of filing of petition till its realization on account of death of Hukum Chand in a motor vehicular accident, occurred on 29.02.2020.

2. 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 reproduced and is skipped herein for the sake of brevity.

ARGUMENTS
ON BEHALF OF LEARNED COUNSEL FOR THE APPELLANTS

3. Learned counsel for the appellants assailed the award by submitting that the learned Tribunal made wrong assessment of the income of the deceased despite clear and reliable evidence on record, including the deposition of PW3 establishing that the deceased was employed as an Accountant/Munim earning Rs. 22,500/- per month; duly corroborated by Ex.P2, i.e., the statement of account maintained from 16.04.2019 to 22.02.2020; yet, this material evidence was not appreciated in its proper perspective. He further argued that the compensation awarded under conventional heads is inadequate and not in accordance with settled legal principles laid down by the Hon'ble Supreme Court. Furthermore, it was submitted that interest awarded at the rate of 9% per annum was unreasonably low in view of prevailing judicial trends whereby interest @ 12% per annum was being awarded; thereby depriving the appellants of fair compensation, therefore, he prayed for enhancement as per latest decision on the subject.

ON BEHALF OF LEARNED COUNSEL FOR RESPONDENT No.2/INSURANCE COMPANY.

4. Per contra, learned counsel representing No.2/ Insurance Company submitted that there was no basis to assess the income of the deceased as Rs. 22,500/- per month as no documentary evidence was available before the learned Tribunal in support. He thus submitted that the learned Tribunal, therefore, rightly assessed the income of deceased. Learned counsel further submitted that in the facts and circumstances of the case, the appellants/claimants were rightly compensated and, thus the present appeal was liable to be dismissed.

DISCUSSION

5. 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

6. In the present case, perusal of the record indicates that deceased-Hukum Chand, at the time of accident was 35 years of age. He was working as an Accountant/Munim with M/s Lal Chand Brij Mohan, Shop No. 28, Grain Market, Saraswati Nagar, Mustafabad (Yamuna Nagar) and was drawing a salary of Rs. 22,500/- per month. However, learned Tribunal assessed the income of the deceased @ Rs. 9,313/- per month; nevertheless upon perusal of ledger alongwith the statement of Manish Goel who appeared as PW-3, it was proved on record that the deceased was receiving salary and the learned Tribunal thus, erred while ignoring the same. Therefore, this Court in its humble opinion and in the facts and circumstances of the present case assesses the income of deceased as Rs. 22,500/- per month in consonance with the records available on the file.

7. The Hon'ble Supreme Court in the case of ***"Smt. Sarla Verma and others vs. Delhi Transport Corporation and another,"*** reported as ***2009(3) RCR (Civil) 77,*** was pleased to hold that in case the number of dependent family members were 4 to 6, 1/4th needs to be deducted as personal expenses from the total income. Relevant para of the judgment is culled out 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[(1996) 4 SCC 362], the general practice is to apply standardized deductions. Having considered several subsequent decisions of this Court, we are of the view that where the deceased was married, 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 member exceeds six."

QUESTION OF COMPENSATION UNDER CONVENTIONAL HEADS

8. Furthermore, in view of the judgment 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 accordingly. 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. 2,40,000/- (Rs. 48,000 x 5) as the appellants, being spouse, children and parents of deceased are also entitled for spousal, parental and filial consortium.

9. Now, the question arises how the compensation is to be distributed among the legal heirs. In this regard, it may be taken into account that from the material available on record it is evident that appellant No. 1 (widow of deceased) did not remarry and she along with her minor children solely dependent upon the deceased, accordingly appellant No. 1 is held entitled for 60% of the compensation amount, whereas appellant No. 2 to 4 be granted the remaining 40% in equal shares. It may be clarified here that the aforementioned ratio of 60:40 would be minus the consortium as all the appellants/claimants shall separately/individually be entitled for consortium in their favour.

CONCLUSION

10. In view of the discussion made hereinabove, the appellant/claimant is held entitled for the grant of compensation in the following manner:-

S.No.	**Nature**	**Amount (in Rs.)**
1.	Annual Income of Deceased	Rs. 2,70,000/-
2.	Deduction (1/4th)	Rs. 67,500/-
3.	Net Income (Rs. 2,70,000 – Rs. 67,500)	Rs. 2,02,500/-
4.	Future Prospects (40%)	Rs. 81,000/-
5.	Total Income (2,02,500 + 81,000)	Rs. 2,83,500/-
6.	**Loss of Income after applying multiplier of 16 as per the age of 35 years (2,83,500 x 16)**	**Rs. 45,36,000/-**
7.	**Loss of estate**	**Rs. 18,000/-**
8.	**Funeral Expenses**	**Rs. 18,000/-**
9.	**Loss of Consortium (48,000 x 5)**	**Rs. 2,40,000/-**
10.	**Total compensation**	**Rs. 48,12,000/-**
11.	**Amount Awarded by the Tribunal**	**Rs. 20, 68,710.40/-**
12.	**Enhanced Compensation**	**Rs. 27,43,289.6/-**

Thus, the appellant No. 1/widow is entitled for Rs. 16,45,974/- and appellant no. 2 to. 4 are entitled for Rs.10,97,315/- in equal proportions as compensation besides, appellant No. 5 is entitled for Rs. 48,000/- only on account of loss of consortium.

11. 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 claimant shall be deducted from the enhanced compensation.

12. In view of the aforesaid modification, the present appeal stands disposed of. Pending miscellaneous application(s), if any, shall also stand disposed of.

December 16, 2025 **(HARKESH MANUJA)**
Tejwinder **JUDGE**