IN THE HIGH COURT OF JUDICATURE AT BOMBAY
CIRCUIT BENCH AT KOLHAPUR

CIVIL APPELLATE JURISDICTION

FIRST APPEAL NO. 964 OF 2024

National Insurance Co. Ltd. Through Its Mumbai Regional Office-II … Appellant

Versus

Mrs. Suvarna Arun Kore And Anr. … Respondents

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Adv. N. D. Joshi for the Appellant.

Mr. Tejas Dande, Ms. Shama Mulla and Mr. Bharat G. for the Respondent Nos. 1 and 2.

Mr. Kuldeep U. Nikam for the Respondent No. 3.

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CORAM : M.W. CHANDWANI, J.

DATE : 18th April, 2026.

P. C. :

1. Heard the learned counsels for the parties.

2. The present present First Appeal challenges the Judgment and Award dated 08.11.2014 passed by the Member, Motor Accident Claims Tribunal, Kolhapur, (for short, "the Tribunal") in Motor Accident Claims Petition No. 251 of 2012 whereby Respondent Nos. 1 and 2 (original claimants) were awarded compensation of Rs. 36,50,400/- towards loss of dependency on account of the death of Arun Mahadev Kore, who died in a vehicular accident on 18.03.2012.

3. The Appellant–Insurance Company has preferred this Appeal solely on the ground that, the learned Tribunal failed to consider the deduction towards personal expenses of the deceased while assessing the dependency of Respondent Nos. 1 and 2.

4. I have gone through the impugned Judgment and Award.

5. It appears that the Tribunal has concluded that the deceased was earning Rs. 18,000/- per month and accordingly assessed the annual income at Rs. 2,16,000/-. The Tribunal further added 30% of the income, i.e., Rs. 64,800/-, towards future prospects.

6. It is to be noted here that, as per the decision in ***Sarla Verma and ors vs Delhi Transport Corporation and anr***[1],., where the number of dependents are two to three, one-third of the income is required to be deducted towards personal expenses of the deceased. Evidently, the impugned order does not reflect any such deduction. The Tribunal directly applied the multiplier after assessing the annual income without deducting personal expenses. Hence, the impugned order warrants interference.

7. Furthermore, the addition towards future prospects granted by the Tribunal is excessive in light of the decision in ***National Insurance Company Limited Vs. Pranay Sethi*** [2] wherein it is held that, for a person in the age group of 40 to 50 years, future prospects should be assessed at 25%.

1 (2009) 6 SCC 121
2 (2017) 16 SCC 680

Accordingly, the compensation payable to Respondent Nos. 1 and 2 is recalculated as under:

Sr. No	Particulars		Amount in rupees.
1	Income of the deceased	Rs. 18,000/- p.m. x12	Rs. 2,16,000/-
2	25% future prospect. As per pranay sethi Judgment Age 47 & occupation business	Rs. 2,16,000/- x 25%	Rs. 54,000/-
		Sub Total	Rs. 2,70,000/-
3.	Less:- 1/3 deduction towards personal expenses	Rs. 2,70,000/- / 1/3 = Rs. 90,000/-	Rs. 1,80,000/-
4.	Multiplier @13	Rs. 1,80,000 X 13	Rs. 23,40,000/-
5.	Compensation towards Funeral charges = Loss of Consortium = Loss of Estate =	 Rs. 15,000/- Rs. 40,000/- x 2 Rs. 15,000/-	Rs. 1,10,000/-
		Sub Total	**Rs. 24,50,000/-**

8. Accordingly, the First Appeal is partly allowed.

9. The impugned order dated 08.11.2014 passed by the Member, Motor Accident Claims Tribunal, Kolhapur is modified as under:

(a) Respondent Nos. 1 and 2 are entitled to compensation of Rs. 24,50,000/- (Rupees Twenty-Four Lakhs Fifty Thousand only) along with @ 7.5% p.a. from the date of Application till its realization. Further, the Respondents has already withdrawn an amount of Rs. 12,14,440/- and the remaining amount payable to the Respondent Nos. 1 and 2 shall be paid to them along with accrued interest.

(b) Excess amount, if any deposited by the Appellant shall be refunded back to the Appellant along with accrued interest.

[M.W. CHANDWANI, J.]