2026:PHHC:013402

IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH

(387)

FAO-568-2025
Date of decision:- 29.01.2026

Fulvanti and others

...Appellants

Versus

Anil Vij and others

...Respondents

CORAM: HON'BLE MR. JUSTICE VIKAS BAHL

Present: Mr. Abhinav Aggarwal, Advocate, for the appellants.

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

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VIKAS BAHL, J. (ORAL)

1. The widow and six children of the deceased-Sher Singh have filed the present appeal for enhancement of compensation. The Motor Accident Claims Tribunal, Narnaul, vide award dated 07.11.2024 had awarded the compensation of Rs.18,54,936/- along with interest on account of death of Sher Singh which took place in a motor vehicular accident on 29.09.2019. The only issue which arises for consideration in the present appeal is as to whether the present appellants are entitled to additional compensation or not as other aspects have not been disputed before this Court.

2. Learned counsel for the appellants has submitted that the minimum wages which have been taken into consideration by the Tribunal are

on lower side, inasmuch as, the accident had taken place on 29.09.2019 and as per the revised notification issued prior to the said date, the minimum wages were stated to be Rs.9024.24 for unskilled labour whereas the Tribunal has taken into consideration only an amount of Rs.8827.40 as minimum wages for unskilled labour. It is further submitted that in case the minimum wages of Rs.9024.24 is taken into consideration, then, on account of loss of future income, the present appellants would be entitled to Rs.15,16,032/-, whereas, the Tribunal has awarded a total amount of Rs.14,82,936/- and thus, the appellants should be entitled to an additional compensation of Rs.33,096/-. It is submitted that the said additional compensation be awarded to the present appellants along with interest @ 9% per annum. In support of his arguments, learned counsel for the appellants has relied upon the law laid down by the Hon'ble Supreme Court in case titled as ***National Insurance Company Limited Vs. Pranay Sethi and others*** reported as ***(2017) 16 SCC 680***. On behalf of the appellants, a chart has been submitted which has been reproduced herein below:-

	ld. MACT	*Hon'ble HC*
Monthly Income	*8827*	*9024*
Future Prospects	*25%*	*25%*
Deduction	*1/5th*	*1/5th*
Multiplier	*14*	*14*
Loss of future income		*Loss of future income*
$8827 \times \frac{125}{100} \times \frac{4}{5} \times 14 \times 12 = 14{,}82{,}936$		$9024 \times \frac{125}{100} \times \frac{4}{5} \times 14 \times 12 = 15{,}16{,}032$
Loss of Consortium=48000 x 7 = 3,36,000		*Loss of Consortium = 48000 x 7 = 3,36,000*
Loss of Estate & Funeral = 18000 *18000* *36000*		*Loss of Estate & Funeral = 18k* *18k* *36k*
Total = 18,54,936		*Total = 18,88,032*

difference = 33,096

Rs.33096 + Int.

3. Learned counsel appearing for respondent No.3-Insurance Company, on the other hand, has submitted that the rate of interest which is sought to be claimed by the appellants is highly excessive and at best the interest that can be awarded on the additional compensation should be 6% per annum.

4. This Court has considered the arguments raised on behalf of both the parties and has gone through the paper-book and also the chart produced by the learned counsel for the appellants and is of the opinion that the amount claimed by the appellants on account of the loss of future income is in accordance with law

5. The Hon'ble Supreme Court in ***Pranay Sethi's case*** (Supra), has held as under:-

> *"59.In view of the aforesaid analysis, we proceed to record our conclusions:-*
>
> *59.1 The two-Judge Bench in Santosh Devi should have been well advised to refer the matter to a larger Bench as it was taking a different view than what has been stated in Sarla Verma, a judgment by a coordinate Bench. It is because a coordinate Bench of the same strength cannot take a contrary view than what has been held by another coordinate Bench.*
>
> *59.2 As Rajesh has not taken note of the decision in Reshma Kumari, which was delivered at earlier point of time, the decision in Rajesh is not a binding precedent.*
>
> *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 paragraphs 30 to 32 of Sarla Verma which we have reproduced hereinbefore.*
>
> *59.6 The selection of multiplier shall be as indicated in the Table in Sarla Verma read with paragraph 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.*
>
> *60. The reference is answered accordingly. Matters be placed before the appropriate Bench."*

6. A perusal of the above judgment would show that it was observed by the Hon'ble Supreme Court that addition of some percentage of the actual salary to the income of the deceased towards future prospects was also required to be taken into consideration.

7. In the present case, it is not disputed that the minimum wages at

the relevant time was Rs.9024.24 for unskilled labour and thus, the said amount per month should have been taken instead of Rs.8827.40. In case the said amount is taken into consideration, the appellants would be entitled to an additional compensation of Rs.33,096/-. Accordingly, the claimants are entitled to an additional amount of Rs.33,096/-. With respect to interest, this Court is consistently awarding rate of interest @ 7.5% per annum on the enhanced amount of compensation, which rate of interest is also reasonable in the present case.

8. Keeping in view the abovesaid facts and circumstances, the present appeal is partly allowed and the impugned award dated 07.11.2024 is modified and respondent No.3-Insurance Company is directed to pay an additional amount of compensation to the tune of Rs.33,096/- to the appellants/claimants along with interest at the rate of 7.5% per annum from the date of filing of the claim petition till the date of actual payment within a period of six weeks from today, in the same proportion as has been directed in the award.

January 29, 2026 **(VIKAS BAHL)**
naresh.k **JUDGE**

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