

2026:PHHC:028230



132-1

**IN THE HIGH COURT OF PUNJAB AND HARYANA AT
CHANDIGARH**

FAO-1871-2023 (O&M)

Date of Decision : 23.02.2026

SUMITRA DEVI AND ORS

.... Appellants

VERSUS

MOHAMMAD DANISH AND ORS

.... Respondents

CORAM : HON'BLE MRS. JUSTICE ALKA SARIN

Present : Mr. Rakesh Gupta, Advocate for the appellants.

Mr. Arjun Kundra, Advocate for respondent No.3.

ALKA SARIN, J. (ORAL)

CM-7237-CII-2023

1. For the reasons stated in the application, the same is allowed and the delay 386 days in filing the appeal is condoned. However, the claimant-appellants shall not be entitled to any interest for the period of delay in filing the appeal.

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2. The present appeal has been preferred by the claimant-appellants aggrieved by the quantum of compensation awarded by the Motor Accident Claims Tribunal, Ambala (hereinafter referred to as the 'Tribunal') vide award dated 15.10.2019.

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 Tribunal in the present case had awarded the following compensation :

Sr. No.	Heads	Compensation Awarded
1.	Monthly income	₹9,000
2.	Annual income	[₹9,000 x 12] = ₹1,08,000
3.	Deduction 1/3 rd	[₹1,08,000 - ₹36,000] = ₹72,000
4.	Future prospects 10%	[₹72,000 + ₹7,200] = ₹79,200
5.	Multiplier of 9	[₹79,200 x 9] = ₹7,12,800
6.	Funeral expenses	₹15,000
7.	Loss of love and affection	₹15,000
	Total Compensation	₹7,42,800
	Interest	@ 7.5% per annum

5. Learned counsel for the claimant-appellants would contend that the income of the deceased has wrongly been assessed as ₹9,000/- per month notionally though in the present case Income Tax Returns (ITRs) of the deceased for the period of 2016-17 and 2017-18 were produced on the record as Ex.PG and Ex.PH respectively. It is further the contention of the learned counsel for the claimant-appellants that as per the said ITRs, the income of the deceased was shown to be ₹2,60,000/- to ₹3,00,000/- per annum. Learned counsel for the claimant-appellants would further contend that though the claimant-appellants do not challenge the deduction made towards personal expenses, the addition made towards future prospects and the multiplier applied by the Tribunal, however the amount awarded under the conventional heads is not in consonance of the judgments 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. Chola mandalam M.S General Insurance Company Ltd. [2021(4) RCR (Civil) 642]** and that no amount has been awarded under the head loss of consortium.

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.

7. Heard.

8. Admittedly, there is no appeal filed by respondent No.3-Insurance Company. In the present case it was the case set up by the claimant-appellants that the deceased used to trade in old cars and was earning ₹25,000/- per month from the aforesaid work. The claimant-appellants proved on record the income tax returns for the year 2016-17 and 2017-18 as Ex.PG and Ex.PH respectively. As per the said income tax returns, the income of the deceased was ₹2,60,000/- to ₹3,00,000/- per annum. Once the income tax returns were proved on the record, there was no reason for the Tribunal to discard the same. The accident took place on 08.07.2017 and therefore considering the average of the ITRs for the year 2016-17 and 2017-18, the income of the deceased is assessed as ₹23,500/- per month (rounded off) [₹2,60,000 + ₹3,00,000 = ₹5,60,000/2 = ₹2,80,000/12 = ₹23,333 per month approximately]. Since there is no challenge to the deduction made towards personal expenses, the addition made towards future prospects and the multiplier as applied by the Tribunal, the same are maintained. The amount awarded under the conventional heads is on the lower side and no amount has

been awarded under the head loss of consortium. 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 mother and the children of the deceased, would also be entitled to ₹48,000/- each (₹40,000 + 20% increase) towards loss of consortium.

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

Sr. No.	Heads	Compensation Awarded
1.	Monthly income	₹23,500
2.	Annual income	[₹23,500 x 12] = ₹2,82,000
3.	Deduction 1/3 rd	[₹2,82,000 - ₹94,000] = ₹1,88,000
4.	Future prospects 10%	[₹1,88,000 + ₹18,800] = ₹2,06,800
5.	Multiplier of 9	[₹2,06,800 x 9] = ₹18,61,200
6.	Funeral expenses	₹18,000
7.	Loss of estate	₹18,000
8.	Loss of consortium (i) Filial (ii) Parental	₹48,000 [₹48,000 x 2] = ₹ 96,000 Total = ₹1,44,000
	Total Compensation	₹20,41,200

10. 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. However, the claimant-appellants shall not be entitled to any interest

for the period of delay in filing the appeal.

11. 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 accounts of the claimant-appellants within a period of six weeks from today. The particulars of the bank accounts 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.

12. 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.

23.02.2026
Aman Jain

(ALKA SARIN)
JUDGE

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