IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH

FAO-1247-2022

1	The date when the judgment was reserved	24.03.2026
2	The date when the judgment is pronounced	30.04.2026
3	The date when the judgment is uploaded on the website	01.05.2026
4	Whether only operative part of the judgment is pronounced or whether the full judgment is pronounced	Full
5	The delay, if any, of the pronouncement of full judgment and reasons thereof.	Not applicable

AMARJIT KAUR AND OTHERS …Appellants

Vs.

AJAY KUMAR AND OTHERS …Respondents

CORAM: HON'BLE MR. JUSTICE HARKESH MANUJA

Present: Mr. Arvind, Advocate for the appellants (thr. V.C.).

Mr. Nigam K. Bhardwaj, Advocate
for respondent No. 3/Insurance Company.

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<u>HARKESH MANUJA, J.</u>

1. By way of present appeal, challenge has been laid to an award dated 05.10.2021 passed by the learned Motor Accident Claims Tribunal, Fatehgarh Sahib (for brevity, "the Tribunal"), whereby an amount of Rs. 20,54,500/- was awarded as compensation to the appellants/claimants along with interest @ 6% per annum from the date of filing of claim petition till its realization on account of death of Krishan Singh in a motor vehicular accident, occurred on 27.10.2019.

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

<u>ARGUMENTS ON BEHALF OF LEARNED COUNSEL FOR THE APPELLANTS/CLAIMANTS.</u>

3. Learned counsel for the appellants/claimants vehemently contended that the impugned judgment and award dated 05.10.2021 passed by the learned Motor Accident Claims Tribunal, Fatehgarh Sahib, was legally unsustainable to the extent it awards an inadequate and unjust compensation, having been rendered without proper appreciation of the evidence available on record. It was submitted that the Tribunal failed to correctly assess the income and overall dependency of the deceased Krishan Singh, who succumbed to injuries sustained in a motor vehicular accident dated 27.10.2019 caused due to the rash and negligent driving of the offending vehicle by respondent No.1, a fact duly substantiated by the registration of FIR and the material placed on record. Learned counsel further argued that the Tribunal committed a patent error in not awarding interest from the date of filing of the claim petition and instead imposing an unwarranted condition linking the accrual of interest to delayed payment by the insurer, which was contrary to the settled principles of law laid down by the Hon'ble Supreme Court. It was also contended that no amount has been granted under the conventional heads, particularly towards loss of consortium, thereby depriving the appellants of just compensation as recognized in binding judicial precedents. On these grounds, he prayed that the award of the Tribunal be suitably modified in accordance with law.

ARGUMENTS ON BEHALF OF LEARNED COUNSEL FOR RESPONDENT No. 3/INSURANCE COMPANY.

4. Per contra, learned counsel representing the respondent No. 3/Insurance Company, neither refuted the factum of accident nor even the negligence of the offending vehicle, however submitted that in the facts and circumstances of the present case, the compensation assessed by the learned Tribunal called for no interference.

<u>DISCUSSION AND REASONING</u>

5. I have heard learned counsel for the parties and perused the paper-book of the case. I find substance in the arguments advanced by the learned counsel for the appellants/claimants.

<u>QUESTION OF INCOME ASSESSED</u>

6. In the present case, a perusal of the record reveals that the deceased, Krishan Singh, was aged about 39 years at the time of the accident. He was employed as a Granthi at the Gurudwara Sahib in village Hoshiarpur and earning a monthly salary of ₹10,500/-. In view of these facts, the learned Tribunal rightly assessed the monthly income of the deceased at ₹10,500/- for the purpose of computation of compensation.

<u>QUESTION OF FUTURE PROSPECTS, MULTIPLIER AND DEDUCTION TOWARDS PERSONAL EXPENSES.</u>

7. As per the averments made in the claim petition and the documentary evidence produced on record in the shape of Aadhar Card, the age of deceased at the time of his death was 39 years. Thus, placing reliance upon the law laid down in the case ***<u>"Smt. Sarla Verma and others vs. Delhi Transport Corporation and another"</u>***, reported as ***<u>2009 (3) RCR (Civil) 77</u>***, and ***<u>"National Insurance Co. Ltd. vs. Pranay Sethi and others</u>***" reported as ***<u>(2017) 16 SCC 680,</u>*** 40% of the income granted towards future prospects is strictly in consonance with settled principles of law. Further, the deduction of 1/4th towards personal and living expenses, considering that the deceased left behind four dependents, is just and proper. Likewise, the application of multiplier '15' for the age of 39 years is fully in accord with the settled legal principles. No interference, therefore, is warranted on these aspects.

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)***, ***Pranay Sethi's case (supra)*** and ***"United India Insurance Co.Ltd. vs. Satinder Kaur",*** reported as ***(2021) 11 SCC 780,*** compensation awarded under conventional heads is required to be re-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. 1,92,000/- (48,000 x 4) as appellants/claimants being widow, mother children are entitled to spousal, filial and parental consortium.

CONCLUSION

9. In view of the discussion made herein above, the appellants/claimants are held entitled for the grant of compensation in the following manner:-

S.No.	Nature	Amount (in Rs.)
1.	Annual Income of deceased	1,26,000/-
2.	Add 40% future prospects	50,400/-
3.	Total Income (Rs. 1,26,000 + Rs. 50,400)	1,76,400/-
4.	Deduction (1/4th)	44,100/-
5.	Net Income (Rs. 1,76,400 – Rs. 44,100)	1,32,300/-
6.	**Loss of Income after applying multiplier of 15 as per the age of 39 years (Rs. 1,32,300 x 15)**	**19,84,500/-**
7.	**Loss of Consortium**	**1,92,000/-**
8.	**Funeral expenses**	**18,000/-**
9.	**Loss of estate**	**18,000/-**

	Total compensation	**22,12,500/-**
	Amount Awarded by the Tribunal	**20,54,500/-**
	Enhanced Compensation	**1,58,000/-**

Accordingly, appellants/claimants shall be entitled to receive above enhanced compensation in the proportion already determined by the learned Tribunal.

10. The grant of interest @ 6% per annum is not equitable and just in 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,*** thus, the interest is enhanced to 9% per annum on the amount of compensation re-assessed from the date of institution of claim petition till its realization. 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.

11. In view of the foregoing discussion, the present appeal preferred at the instance of appellants/claimants stand allowed. Pending miscellaneous application(s), if any, shall also stand disposed of.

April 30, 2026 **(HARKESH MANUJA)**
Tejwinder **JUDGE**

Whether speaking/reasoned	*Yes/No*
Whether reportable	*Yes/No*