IN THE HIGH COURT OF PUNJAB & HARYANA AT CHANDIGARH

FAO-1937-2023 (O&M)

NATIONAL INSURANCE CO. LTD.

......Appellant

vs.

RADHA AND ORS.

......Respondents

Reserved on:- 15.05.2026
Pronounced on:- 18.05.2026
Uploaded on:- 20.05.2026

Whether only the operative part of the judgment is pronounced? *NO*
Whether full judgment is pronounced? *YES*

CORAM: HON'BLE MRS. JUSTICE SUDEEPTI SHARMA

Present: Mr. Gopal Mittal, Advocate
for the appellant-Insurance Company.

Mr. Saurabh Chawla, Advocate
Mr. Vishal Chechi, Advocate
for respondents No.1 to 4.

Mr. Ravi Malik, Advocate
Mr. Anil Chahal, Advocate
for respondent No.5.

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SUDEEPTI SHARMA J.

1. The present appeal has been preferred against the award dated 22.12.2022 passed by the learned Motor Accident Claims Tribunal, Palwal (for short, 'the Tribunal') in the claim petition filed under Section 166 of the Motor Vehicles Act, 1988, wherein the appellant-Insurance company was fastened with the liability to pay the compensation of Rs.34,49,000/- to the

claimants/respondents No.1 to 4 along with interest @ 9% per annum on the ground of quantum of compensation to be on higher side.

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 required to be reproduced here for the sake of brevity.

SUBMISSIONS OF LEARNED COUNSEL FOR THE PARTIES

3. Learned counsel for the appellant-Insurance Company contends as under:-

i. That income of Rs.15,000/- assessed by the learned Tribunal is wholly without any basis as no account statement was produced on record to prove the income as assessed by learned Tribunal.

ii. That learned Tribunal has erred in granting future prospects of 50% instead of 40% as per the settled law on compensation. Therefore, he prays that the present appeal be allowed.

4. Per contra, learned counsel for claimants/respondents No.1 to 4 contends that compensation awarded by the learned Tribunal is on the lower side and claimants respondent Nos.1 to 3 have filed separate appeal bearing ***No.FAO-2751,-2023*** titled as "***Radha and others Vs. Ved Parkash and another***" seeking enhancement of compensation. He therefore, prays that the present appeal be dismissed.

5. I have heard learned counsel for the parties and perused the whole record of this case with their able assistance.

6. A perusal of the award reveals that the age of the deceased was rightly assessed as 34 years at the time of accident. Consequently, the learned

Tribunal has rightly applied multiplier of 16. So far as the contention raised by the appellant-Insurance Company with regard to the reliability of salary certificate Ex.PW2/A is concerned, the same has been rightly dealt with by the learned Tribunal. PW2, the Manager of the employer firm, specifically proved that the deceased was working as a Medical Representative and was drawing salary of Rs.15,000/- per month. His testimony stood duly corroborated by PW1, widow of the deceased. Mere cutting or overwriting in the date of issuance of the certificate, in absence of any evidence to establish fabrication or forgery, could not be a ground to discard the document. The appellant-Insurance Company has failed to lead any rebuttal evidence, either oral or documentary, to discredit the said evidence. Thus, the learned Tribunal rightly assessed the income of the deceased at Rs.15,000/- per month and the said finding warrants no interference by this Court.

7. Further Hon'ble the Supreme Court in ***New India Assurance Co. Ltd vs. Ashish Ravinder Kulkarni and others, 2023 ACJ 1997,*** has held that in case of a person who is in regular service, a percentage higher than the one stated in ***National Insurance Company Ltd. Vs. Pranay Sethi & Ors.*** **[(2017) 16 SCC 680],** can also be awarded. The relevant extract of the same is reproduced as under:-

> *"7. It is also his case that the future prospects as reckoned at 30% is not justified and the same should have been at 25% since the job of the deceased cannot be onsidered as permanent employment. Lastly, it is contended the interest as fixed by the High Court at 7.5% per annum is excessive and is without appropriate reason*
> *being assigned.*

8. The learned counsel for the respondents/claimants would however seek to sustain the judgment passed by the High Court. On all the aspects which have been urged by the learned counsel for the appellant, it is contended that the MACT as well as the High Court have looked into the evidence which was available before it and has thereafter arrived at its conclusion, which does not call for interference.

9. In the light of the contentions put forth, insofar as the salary, we take note that by way of clarification, we had required the learned counsel for the respondents/claimants to point out that the amount paid was after deduction of the tax or proof for payment of tax, since the learned counsel for the appellant had contended that the same has not been done. Along with an application, in addition to the documents that were relied on before the MACT, the notice of assessment of the Inland Revenue Authority of Singapore is produced. From the same, it would indicate that from the salary paid to the deceased, tax has been assessed in Singapore. Hence, there is no scope for double taxation on the same income. Therefore, deducting any amount towards tax once over again would not arise. Hence, his salary as reckoned by the High Court is justified and the same does not call for interference.

10. On the aspect relating to the future prospects, having noted the salary that was being drawn by the deceased, we have also taken into consideration that the deceased was employed in TATA Precision Industries. Another employee who was working as the Assistant Manager in Human Resources had been examined as PW-2 before the MACT to prove the same. In that regard, taking note of the evidence tendered by PW-2 to indicate the nature of employment of the deceased as *also his prospects, we are of the opinion that the future prospects as reckoned in the instant case is also justified. This is for the reason that though the learned counsel for the appellant seeks to point to the portion of the cross- examination of the said witness to indicate that he had earlier been terminated from TATA Holset Private Limited and had thereafter been appointed in TATA Precision Industries, it would not lead to a conclusion that the job was not of permanent nature. In fact, even if the employment letter indicated that the job could be terminated with 30 days notice as insisted by the learned counsel, that cannot be the basis in as much as the said provision for termination notice would be available to both the parties, namely the employer and the employee and that by itself cannot indicate that the employment was of a temporary nature. Right of the employer to terminate does not suggest it is temporary employment. Such right if exercised has to be in terms of law. Further, from the cross-examination, the suggestion put to PW-2, would only indicate that the deceased who was earlier employed in TATA Holset Private Limited was thereafter taken in another sister concern of the same group providing him better prospects. Therefore even if that aspect of the matter is kept in view, the future prospects as reckoned by the High Court is justified."*

8. Consequently, in view of the law laid down by Hon'ble the Supreme Court in **Ashish Ravinder Kulkarni's case (supra),** 50% addition is made under the head of future prospects by the learned Tribunal is sound and no inference is warranted on this count.

9. Further perusal of award reveals that compensation awarded under the conventional heads i.e. loss of estate, funeral expenses and loss of consortium is on the lower side and deserves to be enhanced, therefore, the award requires indulgence by this Court.

10. In view of the above, the compensation is re-calculated as under:-

Sr. No.	***Heads***	***Compensation Awarded***
1	Monthly Income	Rs.15,000/-
2	Future prospects @ 50%	Rs.7,500/- (50% of 15000)
3	Deduction towards personal expenditure 1/4	Rs.5,625/- (22,500 X 1/4)
4	Total Income	Rs.16,875/- (22,500-5,625)
5	Multiplier	16
6	Annual Dependency	Rs.32,40,000/- (16,875 X 12 X 16)
7	Loss of Estate	Rs.18,150/-
8	Funeral Expenses	Rs.18,150/-
9	Loss of Consortium Parental: 2 x 48,400 Spousal: 1 x 48,400 Filial : 1 x 48,400	Rs.1,93,600/-
10	**Total Compensation**	**Rs.34,69,900/-**
11	**Deduction** Amount Awarded by the Tribunal	**Rs.34,49,000/-**
12	**Enhanced amount**	**Rs.20,900/-(34,69,900-34,49,000)**

11. So far as the interest part is concerned, as held by Hon'ble Supreme Court in ***<u>Dara Singh @ Dhara Banjara Vs. Shyam Singh Varma</u>*** **2019 ACJ 3176** and ***<u>R.Valli and Others VS. Tamil Nadu State Transport Corporation (2022) 5 Supreme Court Cases 107</u>***, the respondents No.1 to 4/claimants are granted the interest @ 9% per annum on the enhanced amount from the date of filing of claim petition till the date of its realization.

12. The appellant-Insurance Company is directed to deposit the enhanced amount along with interest at the rate of 9% with the Tribunal within a period of two months from the date of receipt of copy of this judgment. The Tribunal is directed to disburse the same to the respondents No.1 to 4-claimants in their bank accounts. The respondents No.1 to 4-claimants are directed to furnish their bank account details to the Tribunal.

13. Consequently, the present appeal is hereby ***dismissed***.

14. Pending application(s), if any, also stand disposed of.

18.05.2026 **(SUDEEPTI SHARMA)**
Ayub/Sahil **JUDGE**

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