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IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH

FAO-4108-2019 (O&M)
Date of Decision : 10.03.2026

Shahid ... Appellant

Versus

Pawan Kumar and Others ... Respondents

CORAM : HON'BLE MRS. JUSTICE ALKA SARIN

Present : Ms. Jhuma Rani, Advocate for
Mr. Mohammed Arshad, Advocate for the appellant.

Ms. Ritu Punj, Advocate for respondent No.3.

ALKA SARIN, J. (Oral)

1. Notice of motion.

2. Ms. Ritu Punj, Advocate has put in appearance on behalf of respondent No.3-Insurance Company and states that present appeal can be disposed off today itself.

CM-13475-CII-2019

3. For the reasons stated in the application, the same is allowed. The delay of 457 days in filing the present appeal is condoned. However, the claimant-appellant shall not be entitled to any interest for the period of delay.

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4. Present appeal has been preferred by the claimant-appellant aggrieved by the quantum of compensation awarded by the Motor Accident Claims Tribunal, Mewat (hereinafter referred to as the 'Tribunal') vide award dated 14.11.2017 on account of death of Arshida (hereinafter referred to as

the ‘deceased’) which took place on 15.03.2017.

5. Since the factum of the accident is not in dispute, the facts are not being adverted to herein for the sake of brevity.

6. The Tribunal in the present case had awarded the following compensation :

Sr. No.	Heads	Compensation Awarded
1	Monthly Income	₹5,000/-
2	Annual Income	₹60,000/- [₹5,000 x 12]
3	Future Prospects - 40%	₹84,000/- [₹60,000 + ₹24,000]
4	Deduction - 1/3rd	₹56,000/- [₹84,000 - ₹28,000]
5	Multiplier - 18	₹10,08,000/- [₹56,000 x 18]
6	Loss of estate	₹15,000/-
7	Funeral expenses	₹15,000/-
8	Loss of consortium	₹40,000/-
	Total Compensation	**₹10,78,000/-**
	Interest	**7% per annum**

7. Learned counsel for the claimant-appellant would contend that though she does not challenge the deduction, multiplier and the future prospects as applied by the Tribunal however, she has contended that the deceased in the present case was a homemaker and the Tribunal has assessed her income as ₹5,000/- per month which is on the lower side inasmuch as at the relevant point of time, minimum wages for an unskilled worker were also more than the income assessed by the Tribunal. It is further contended that the income of the deceased ought to have been assessed as per the minimum wages applicable to a skilled worker at the relevant point of time. In support of her contention, learned counsel for the claimant-appellant has relied upon a judgment of the Hon’ble Supreme Court in case of **Kirti & Anr. vs. Oriental Insurance Company Ltd. [2021 (1) RCR (Civil) 478]**. It is further the contention of learned counsel for the claimant-appellant that the

compensation awarded under the conventional heads as well as under the head 'loss of consortium' is not in accordance with the law laid down by the Hon'ble Supreme Court. In support of her contention, learned counsel for the claimant-appellant has relied on judgments of 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. Cholamandalam M.S General Insurance Company Ltd. [2021(4) RCR (Civil) 642]**.

8. *Per contra*, learned counsel for respondent No.3-Insurance Company has vehemently argued that the Tribunal has rightly assessed the income of the deceased. It is further the contention that in the present case there is only one claimant hence a deduction of 1/2 ought to have been applied instead of 1/3rd keeping in view the law laid down by the Hon'ble Supreme Court in the case of **Sarla Verma & Ors. vs. Delhi Transport Corporation & Anr. [(2009) 6 SCC 121]**. It has further been contended that sufficient amount has already been awarded as compensation in the present case and that there is no scope of any enhancement.

9. Heard.

10. Admittedly, no appeal has been filed by the Insurance Company. Since there is no challenge to the deduction, multiplier and the future prospects as applied by the Tribunal, the same are maintained. The argument of learned counsel for the claimant-appellant that the income of the deceased, who was a homemaker, ought to have been assessed as per the minimum wages applicable to a skilled worker at the relevant point of time, deserves to be accepted. In case of **Kirti** (supra), Hon'ble Supreme Court while

emphasizing upon the contribution made by a homemaker and the services rendered by a woman in a household observed that there can be no exact calculation or formula that can ascertain the actual value provided by a homemaker gratuitously. In order to streamline the calculation of notional income for homemakers and the grant of future prospects with respect to them for the purposes of assessing the compensation, the following principles were laid by the Hon'ble Supreme Court :

> *"42. Therefore, on the basis of the above, certain general observations can be made regarding the issue of calculation of notional income for homemakers and the grant of future prospects with respect to them, for the purposes of grant of compensation which can be summarized as follows:*
>
> > *a. Grant of compensation, on a pecuniary basis, with respect to a homemaker, is a settled proposition of law.*
> >
> > *b. Taking into account the gendered nature of housework, with an overwhelming percentage of women being engaged in the same as compared to men, the fixing of notional income of a homemaker attains special significance. It becomes a recognition of the work, labour and sacrifices of homemakers and a reflection of changing attitudes. It is also in furtherance of our nation's international law obligations and our constitutional vision of social equality and ensuring dignity to all.*

> *c. Various methods can be employed by the Court to fix the notional income of a homemaker, depending on the facts and circumstances of the case.*
>
> *d. The Court should ensure while choosing the method, and fixing the notional income, that the same is just in the facts and circumstances of the particular case, neither assessing the compensation too conservatively, nor too liberally.*
>
> *e. The granting of future prospects, on the notional income calculated in such cases, is a component of just compensation."*

11. In the present case, considering the extensive contribution of the deceased in the household and in the absence of any evidence regarding her exact income, this Court deems it appropriate to assess the income of the deceased as per the minimum wages applicable to a skilled worker at the relevant point of time, which were ₹9,585/- per month. Accordingly, the income of the deceased is assessed as ₹9,600/- per month rounded off.

12. The argument of learned counsel for respondent No.3-Insurance Company that a deduction of 1/2 ought to have been applied instead of 1/3rd deserves to be rejected keeping in view the fact that there is no appeal by the Insurance Company in the present case.

13. Further, the argument of learned counsel for the claimant-appellant that the compensation awarded under the conventional heads as well as under the head 'loss of consortium' is not 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), deserves to be accepted. Hence, the claimant-appellant would be entitled to ₹18,000/- (₹15,000+20% increase) towards loss of estate and ₹18,000/- (₹15,000+20% increase) towards funeral expenses as also to ₹48,000/- (₹40,000+20% increase) towards loss of consortium. Accordingly, the reworked compensation is as under :

Sr.No.	Heads	Compensation Awarded
1	Monthly Income	₹9,600/-
2	Annual Income	₹1,15,200/- [₹9,600 x 12]
3	Deduction - 1/3rd	₹76,800/- [₹1,15,200 - ₹38,400]
4	Future Prospects - 40%	₹1,07,520/- [₹76,800 + ₹30,720]
5	Multiplier - 18	₹19,35,360/- [₹1,07,520 x 18]
6	Loss of estate	₹18,000/-
7	Funeral expenses	₹18,000/-
8	Loss of consortium (i) Spousal's	₹48,000/-
	Total Compensation	**₹20,19,360/-**

14. 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. However, the claimant-appellant shall not be entitled to any interest for the period of delay.

15. In view of the decision by the Hon'ble Supreme Court in **Parminder Singh vs. Honey Goyal & Ors. [AIR 2025 SC 1713 = 2025 SCC OnLine SC 567]**, after calculation of the enhanced amount, the same be transferred by the Insurance Company in the bank account(s) of the claimant within six weeks from today. The particulars of the bank account(s) alongwith the requisite documents(s) in support thereof shall be furnished by the claimant-appellant to the Insurance company within a period of two weeks

from the date of this order and needful shall be done by the Insurance Company after verification thereof within four weeks thereafter alongwith up-to-date interest. The compliance shall be reported by the Bank to the Tribunal concerned.

16. In view of the above discussion, the award passed by the Tribunal is modified and the present appeal stands allowed accordingly. Pending applications, if any, also stand disposed off.

10.03.2026 **(ALKA SARIN)**
jk **JUDGE**

NOTE: Whether speaking/non-speaking: Speaking
Whether reportable: YES/NO