

IN THE HIGH COURT OF PUNJAB & HARYANA
AT CHANDIGARH

FAO-5167-2009 (O&M)

SUNARI DEVI AND ANR.

.....Appellants

vs.

NARENDER KUMAR AND ORS.

.....Respondents

Reserved on:- 05.02.2026

Pronounced on:- 24.02.2026

Uploaded on :- 25.02.2026

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. Rajesh Dhiman, Advocate
for Mr. Surinder Dagar, Advocate
for the appellants.

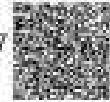
Mr. Narender Kumar, Advocate
for respondent No.1.

Mr. Jayant Yadav, Advocate
for respondent No.2.

Mr. Vinod Mahendru, Advocate
for respondent No.3-Insurance Company.

SUDEEPTI SHARMA J.

1. The present appeal has been preferred against the award dated 01.05.2009 passed by the learned Motor Accident Claims Tribunal, Gurgaon in the claim petition filed under Section 166 of the Motor Vehicles Act, 1988 (for short, 'the Tribunal') for enhancement of compensation granted to the claimants to the tune of Rs.2,69,200/- along with interest @ 9 % per annum, on account of death of Ram Nath in a Motor Vehicular Accident, occurred on 03.09.2008.



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. The learned counsel for the claimants-appellants contends that the amount assessed by the learned Tribunal is on the lower side and deserves to be enhanced. Therefore, he prays that the present appeal be allowed and amount of compensation be enhanced as per latest law.

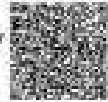
4. Per contra, learned counsel for respondents, however, vehemently argues that the award has rightly been passed and the amount of compensation, as assessed by the learned Tribunal has rightly been granted. Therefore, they pray for dismissal of the appeal.

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

SETTLED LAW ON COMPENSATION

6. Hon'ble Supreme Court in the case of **Sarla Verma Vs. Delhi Transport Corporation and Another [(2009) 6 Supreme Court Cases 121]**, laid down the law on assessment of compensation and the relevant paras of the same are as under:-

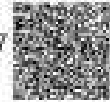
“30. Though in some cases the deduction to be made towards personal and living expenses is calculated on the basis of units indicated in Trilok Chandra, the general practice is to apply standardised deductions. Having a considered several subsequent decisions of this Court, we are of the view that where the deceased was married, the



deduction towards personal and living expenses of the deceased, should be one-third (1/3rd) where the number of dependent family members is 2 to 3, one-fourth (1/4th) where the number of dependent family members is 4 to 6, and one-fifth (1/5th) where the number of dependent family members exceeds six.

31. Where the deceased was a bachelor and the claimants are the parents, the deduction follows a different principle. In regard to bachelors, normally, 50% is deducted as personal and living expenses, because it is assumed that a bachelor would tend to spend more on himself. Even otherwise, there is also the possibility of his getting married in a short time, in which event the contribution to the parent(s) and siblings is likely to be cut drastically. Further, subject to evidence to the contrary, the father is likely to have his own income and will not be considered as a dependant and the mother alone will be considered as a dependant. In the absence of evidence to the contrary, brothers and sisters will not be considered as dependants, because they will either be independent and earning, or married, or be dependent on the father.

32. Thus even if the deceased is survived by parents and siblings, only the mother would be considered to be a dependant, and 50% would be treated as the personal and living expenses of the bachelor and 50% as the contribution to the family. However, where the family of



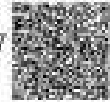
the bachelor is large and dependent on the income of the deceased, as in a case where he has a widowed mother and large number of younger non-earning sisters or brothers, his personal and living expenses may be restricted to one-third and contribution to the family will be taken as two-third.

* * * * *

42. *We therefore hold that the multiplier to be used should be as mentioned in Column (4) of the table above (prepared by applying Susamma Thomas³, Trilok Chandra and Charlie), which starts with an operative multiplier of 18 (for the age groups of 15 to 20 and 21 to 25 years), reduced by one unit for every five years, that is M-17 for 26 to 30 years, M-16 for 31 to 35 years, M-15 for 36 to 40 years, M-14 for 41 to 45 years, and M-13 for 46 to 50 years, then reduced by two units for every five years, that is, M-11 for 51 to 55 years, M-9 for 56 to 60 years, M-7 for 61 to 65 years and M-5 for 66 to 70 years.*

7. Hon'ble Supreme Court in the case of **National Insurance Company Ltd. Vs. Pranay Sethi & Ors.** [(2017) 16 SCC 680] has clarified the law under Sections 166, 163-A and 168 of the Motor Vehicles Act, 1988, on the following aspects:-

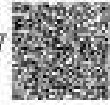
- (A) Deduction of personal and living expenses to determine multiplicand;
- (B) Selection of multiplier depending on age of deceased;



- (C) Age of deceased on basis for applying multiplier;
- (D) Reasonable figures on conventional heads, namely, loss of estate, loss of consortium and funeral expenses, with escalation;
- (E) Future prospects for all categories of persons and for different ages: with permanent job; self-employed or fixed salary.

The relevant portion of the judgment is reproduced as under:-

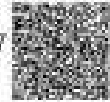
*“52. As far as the **conventional heads** are concerned, we find it difficult to agree with the view expressed in Rajesh². It has granted Rs.25,000 towards funeral expenses, Rs 1,00,000 towards loss of consortium and Rs 1,00,000 towards loss of care and guidance for minor children. The head relating to loss of care and minor children does not exist. Though Rajesh refers to Santosh Devi, it does not seem to follow the same. The conventional and traditional heads, needless to say, cannot be determined on percentage basis because that would not be an acceptable criterion. Unlike determination of income, the said heads have to be quantified. Any quantification must have a reasonable foundation. There can be no dispute over the fact that price index, fall in bank interest, escalation of rates in many a field have to be noticed. The court cannot remain oblivious to the same. There has been a thumb rule in this aspect. Otherwise, there will be extreme difficulty in determination of the same and unless the thumb rule is*



applied, there will be immense variation lacking any kind of consistency as a consequence of which, the orders passed by the tribunals and courts are likely to be unguided. Therefore, we think it seemly to fix reasonable sums. It seems to us that 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 principle of revisiting the said heads is an acceptable principle. But the revisit should not be fact-centric or quantum-centric. We think that it would be condign that the amount that we have quantified should be enhanced on percentage basis in every three years and the enhancement should be at the rate of 10% in a span of three years. We are disposed to hold so because that will bring in consistency in respect of those heads.

* * * * *

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 paras 30 to 32 of Sarla Verma⁴ which we have reproduced hereinbefore.

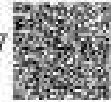
59.6. The selection of multiplier shall be as indicated in the Table in Sarla Verma¹ read with para 42 of that judgment.

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.”

8. Hon’ble Supreme Court in the case of ***Magma General Insurance Company Limited Vs. Nanu Ram alias Chuhru Ram & Others***

[2018(18) SCC 130] after considering ***Sarla Verma (supra)*** and ***Pranay Sethi***



(*Supra*) has settled the law regarding consortium. Relevant paras of the same are reproduced as under:-

“21. A Constitution Bench of this Court in Pranay Sethi² dealt with the various heads under which compensation is to be awarded in a death case. One of these heads is loss of consortium. In legal parlance, "consortium" is a compendious term which encompasses "spousal consortium", "parental consortium", and "filial consortium". The right to consortium would include the company, care, help, comfort, guidance, solace and affection of the deceased, which is a loss to his family. With respect to a spouse, it would include sexual relations with the deceased spouse.

*21.1. **Spousal consortium** is generally defined as rights pertaining to the relationship of a husband-wife which allows compensation to the surviving spouse for loss of "company, society, cooperation, affection, and aid of the other in every conjugal relation".*

*21.2. **Parental consortium** is granted to the child upon the premature death of a parent, for loss of "parental aid, protection, affection, society, discipline, guidance and training".*

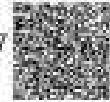
*21.3. **Filial consortium** is the right of the parents to compensation in the case of an accidental death of a child. An accident leading to the death of a child causes great shock and agony to the parents and family of the*



deceased. The greatest agony for a parent is to lose their child during their lifetime. Children are valued for their love, affection, companionship and their role in the family unit.

22. Consortium is a special prism reflecting changing norms about the status and worth of actual relationships. Modern jurisdictions world-over have recognised that the value of a child's consortium far exceeds the economic value of the compensation awarded in the case of the death of a child. Most jurisdictions therefore permit parents to be awarded compensation under loss of consortium on the death of a child. The amount awarded to the parents is a compensation for loss of the love, affection, care and companionship of the deceased child.

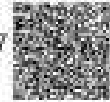
23. The Motor Vehicles Act is a beneficial legislation aimed at providing relief to the victims or their families, in cases of genuine claims. In case where a parent has lost their minor child, or unmarried son or daughter, the parents are entitled to be awarded loss of consortium under the head of filial consortium. Parental consortium is awarded to children who lose their parents in motor vehicle accidents under the Act. A few High Courts have awarded compensation on this count. However, there was no clarity with respect to the principles on which compensation could be awarded on loss of filial consortium.



24. The amount of compensation to be awarded as consortium will be governed by the principles of awarding compensation under "loss of consortium" as laid down in Pranay Sethi². In the present case, we deem it appropriate to award the father and the sister of the deceased, an amount of Rs 40,000 each for loss of filial consortium.

9. A perusal of the impugned award reveals that the deceased Ram Nath was 42 years of age at the time of the accident. The tribunal has wrongly assessed the age of the deceased as 49 years by not placing reliance upon the post-mortem report (Exhibit P-4) which clearly shows the age of the deceased as 42 years. Furthermore the learned tribunal has wrongly applied the multiplier of 12 which is contrary to the settled law. The correct multiplier should be of 14.

10. A further perusal of the impugned award reveals that the deceased was stated to be earning Rs.8,000/- per month by working as security guard in M/s Gulati Export House Manesar. To substantiate the same averments was made by PW3 Sunari Devi in her affidavit but no documentary evidence was placed on record to prove the same. PW6 Sunil sharma, personal Manager SVS Guarding service Pvt Ltd produced on record the salary certificate (Ex P5) which showed the salary of the deceased as Rs.4500/- for month of August 2008. The learned tribunal by placing reliance on the judgment of the Hon'ble High Court passed in **Sarita and another Vs. General Manager, Haryana Roadways and others, 2003 ACJ, 1937** has not included house rent allowance, uniform maintenance reimbursement, transport subsidy and other such allowances which being received by the



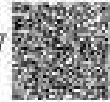
deceased while assessing the amount of compensation. The learned tribunal has assessed the monthly income of the deceased as Rs 2700/- per month.

11. But the Supreme Court in **National Insurance Company Ltd. Vs. Nalini and others, 2024 SCC Online SC 2252**, held that house rent allowance, uniform maintenance reimbursement, transport subsidy and other such allowances which being received by the deceased should included while assessing the amount of compensation.

12. The relevant extract of **Nalini's case (Supra)** is reproduced as under:-

*“2. The aforesaid aspect is no longer res integra inasmuch as a three Judges Bench of this Court in **Vijay Kumar Rastogi v. Uttar Pradesh State Roadways Transport Corporation, 2018 SCC Online SC 193** has clearly held as follows:*

*"11. Strikingly, the High Court noted the taxable income disclosed in tax return of the appellant for the relevant period as Rs. 77,480/- (rounded off) and tax deduction of Rs. 4,496/-, yet proceeded to hold that the net income of the appellant has been rightly taken into consideration by the Tribunal. It is unfathomable that the High Court, despite having accepted the claim of the appellant founded on his tax return for the relevant period, disclosing the taxable income of the appellant as Rs. 77,480/- (rounded off) and deduction of tax of Rs. 4,496/- could have affirmed the conclusion of the Tribunal that the net annual income of the appellant was Rs. 44,511/-. It ought to have reckoned the taxable income for computing the head towards loss of income. This, **in our opinion, is the manifest error***



*committed by the High Court. The appellant is justified in relying upon the decisions of this Court which have taken the view that loss of taxable earning should be reckoned for the purpose of determining just compensation as enunciated in **National Insurance Co. Ltd. v. Indira Srivastava, (2008) 2 SCC 763**, which has been followed in **Oriental Insurance Company Limited v. Jashuben, (2008) 4 SCC 162**, and **Kavita v. Deepak, (2012) 8 SCC 604**. It has been held that the "income" should include those benefits, either in terms of money or otherwise, which are taken into consideration for the purpose of payment of income tax or professional tax, although some elements thereof may, or may not be taxable due to the exemption conferred thereupon under the statute."*

13. Therefore as mentioned in the above judgment, the learned Tribunal has erred in calculating the monthly income of the deceased as Rs.2700/- per month. The right income of the deceased should be Rs.4500/- per month as per the settled law.

14. A further perusal of the award reveals that the learned Tribunal has rightly deducted 1/3rd towards personal and living expenses.

15. Furthermore, learned tribunal has not awarded any amount towards future prospects, therefore 25% should be provided towards future prospects as according to the settled law.

16. A further perusal of the award reveals that the amounts granted under the conventional heads, namely funeral expenses, loss of estate, and loss of consortium, are also on the lower side and not in consonance with the



prevailing standards. Therefore, the impugned award warrants interference and indulgence of this Court.

CONCLUSION

17. In view of the law laid down by the Hon’ble Supreme Court in the above referred to judgments, the present appeal is allowed. The award dated 01.05.2009 is modified accordingly. The appellants-claimants are entitled to enhanced compensation as per the calculations made hereunder:-

<i>Sr. No.</i>	<i>Heads</i>	<i>Compensation Awarded</i>
1	Monthly Income	Rs.4,500/-
2	Future prospects @ 25%	Rs.1,125/- (25% of 4500)
3	Deduction towards personal expenditure 1/3	Rs.1,875/- (5625 X 1/3)
4	Total Income	Rs.3,750/- (5625-1875)
5	Multiplier	14
6	Annual Dependency	Rs.6,30,000/- (3750 X 12 X 14)
7	Loss of Estate	Rs.15,000/-
8	Funeral Expenses	Rs.15,000/-
9	Loss of Consortium Parental : 1 x 40,000 Spousal : 1 x 40,000	Rs.80,000/-
10	Total	Rs.7,40,000/-
11	Deduction Amount Awarded by the Tribunal	Rs.2,69,200/-
12	Enhanced amount	Rs.4,70,800/- (7,40,000-2,69,200)

18. So far as the interest part is concerned, as held by Hon’ble Supreme Court in **Dara Singh @ Dhara Banjara Vs. Shyam Singh Varma** 2019 ACJ 3176 and **R.Valli and Others VS. Tamil Nandu State Transport Corporation (2022) 5 Supreme Court Cases 107**, the appellants-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.



19. The respondents No.1 and 2 (driver and owner, respectively) are 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 appellants-claimants in their bank account as per ratio settled in award dated 01.05.2009. The appellants-claimants are directed to furnish their bank account details to the Tribunal.

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

24.02.2026

Ayub

**(SUDEEPTI SHARMA)
JUDGE**

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