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# IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH

**FAO-3052-2020 (O&M)**
**XOBJC-21-2021 (O&M)**
**Date of Decision : 24.02.2026**

United India Insurance Company Ltd. ... Appellant(s)

Versus

Parkash Chand & Ors ... Respondent(s)

**CORAM : HON'BLE MRS. JUSTICE ALKA SARIN**

Present : Mr. Amit Kundra, Advocate for the appellant.

Mr. Aman Arora, Advocate and

Mr. Mukesh Yadav, Advocate for respondent Nos.1 to 3.

**ALKA SARIN, J. (Oral)**

1. The present order shall dispose off the appeal being **FAO-3052-2020** filed by the appellant-Insurance Company and the cross-objections being **XOBJC-21-2021** filed by the claimant-respondent Nos.1 to 3, aggrieved by the quantum of compensation awarded vide the impugned award dated 13.03.2020 passed by the Motor Accident Claims Tribunal, Narnaul (hereinafter referred to as 'Tribunal') in a motor vehicle accident which occurred on 16.05.2019.

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

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

| Sr.No. | Heads | Compensation Awarded |
|---|---|---|
| 1 | Monthly Income | ₹9,000/- |
| 2 | Annual Income | ₹1,08,000/- [₹9,000 x 12] |

| | | |
|---|---|---|
| 3 | Multiplier - 13 | ₹14,04,000/- [₹1,08,000 x 13] |
| 4 | Loss of estate | ₹15,000/- |
| 5 | Funeral expenses | ₹15,000/- |
| | **Total Compensation** | **₹14,34,000/-** |
| | **Interest** | **7.5%** |

4. Learned counsel for the appellant-Insurance Company would contend that the age of the deceased has wrongly been assessed as 50 years as the Aadhaar Card, which was tendered in evidence by the appellant-Insurance Company as Ex.R1, shows the age of the deceased as 52 years, hence, a multiplier of 11 would be applicable.

5. *Per contra* the learned counsel for the claimant-respondent Nos.1 to 3/cross-objectors would contend that the Tribunal has rightly taken the age of the deceased as 50 years as per the Post-mortem Report. Learned counsel would further contend that the deceased in the present case was a homemaker and that her income ought to have been assessed as ₹10,998/- per month which was the minimum wage for a skilled worker at the time of the accident. Learned counsel has further contended that no addition has been made towards future prospects which ought to have been 25%. The counsel has fairly conceded that in case the future prospects are awarded, a deduction of 1/3rd would have to be made towards personal expenses as there are three claimants in the present case being husband and two children of the deceased. It is further the contention that no compensation has been awarded under the head 'loss of consortium' and that the compensation awarded under the conventional heads is not in accordance with the law laid down by the Hon'ble Supreme Court. In support of his contentions, the learned counsel for the claimants has relied upon the judgments of the Hon'ble Supreme Court in the cases of **Sarla Verma & Ors. vs. Delhi Transport Corporation & Anr.**

**[(2009) 6 SCC 121]; 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]; N. Jayasree & Ors. vs. Cholamandalam M.S General Insurance Company Ltd. [2021(4) RCR (Civil) 642]** and **Kirti & Anr. vs. Oriental Insurance Company Ltd. [2021(1) RCR (Civil) 478]**.

6. I have heard the learned counsel for the parties.

7. The argument of the learned counsel for the appellant-Insurance Company that the age of the deceased has wrongly been assessed as 50 years as per the post-mortem report and it ought to have been 52 years as per her Aadhaar Card, deserves to be rejected. In the present case, though a copy of the Aadhaar Card of the deceased has been tendered in evidence by the appellant-Insurance Company as Ex.R1, however, the same was not proved in accordance with law nor were the claimants confronted with the said Aadhaar Card. In the absence of any other evidence, the age of the deceased has rightly been assessed as 50 years as per the Post-mortem Report, hence, no fault can be found with the same.

8. The argument of the learned counsel for the claimant-respondent Nos.1 to 3/cross-objectors that the income of the deceased has been assessed on the lower side deserves to be accepted. In the present case, the Tribunal has assessed the income of the deceased, who was admittedly a homemaker, as ₹9,000/- per month. A homemaker does much more than a single person can do. Infact, a homemaker performs multiple functions in the house i.e. cooking for the family, cleaning the house, washing clothes and utensils, the list is endless. A homemaker is also a caretaker of her children as well as all the members of the house. In the 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 Hon'ble Supreme Court in the case of **Kirti** (supra) :

> *"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."*

9. The deceased in the present case was 50 years of age at the time of the accident and was admittedly a homemaker. The minimum wage for a skilled worker prevailing at the time of the accident was ₹10,998/- per month and accordingly the income of the deceased is assessed as ₹10,998/- per month and keeping in view the law laid down by the Hon'ble Supreme Court in the case of **Kirti** (supra), the claimants would also be entitled to an addition of 25% towards future prospects. Further, in the present case, the number of claimants is three, hence, as per the law laid down in the case of **Sarla Verma** (supra), 1/3rd deduction would be applicable.

10. Further, no compensation has been awarded under the head 'loss of consortium' and the compensation awarded under the conventional heads 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), hence, the claimants would be entitled to ₹18,000/- (₹15,000+20% increase) towards loss of estate and ₹18,000/-

(₹15,000+20% increase) towards funeral expenses and the claimants would also be entitled to ₹48,000/- each (₹40,000+20% increase) towards loss of consortium. Accordingly, the reworked compensation is as under :

| Sr. No. | Heads | Compensation Awarded |
|---|---|---|
| 1 | Monthly Income | ₹10,998/- |
| 2 | Annual Income | ₹1,31,976/- [₹10,998 x 12] |
| 3 | Deduction - 1/3rd | ₹87,984/- [₹1,31,976 - ₹43,992] |
| 4 | Future Prospects - 25% | ₹1,09,980/- [₹87,984 + ₹21,996] |
| 5 | Multiplier - 13 | ₹14,29,740/- [₹1,09,980 x 13] |
| 6 | Loss of estate | ₹18,000/- |
| 7 | Funeral expenses | ₹18,000/- |
| 8 | Loss of consortium<br>(i) Parental [₹48,000/- x 2]<br>(ii) Spousal | <br>₹96,000/-<br>₹48,000/-<br>(Total ₹1,44,000/-) |
| | **Total Compensation** | **₹16,09,740/-** |

11. 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.

12. 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 claimants within six weeks from today and the apportionment thereof shall be as per the direction of the Tribunal. The particulars of the bank account(s) alongwith the requisite documents(s) in support thereof shall be furnished by the claimants 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.

13. In view of the above discussion, the impugned award passed by the Tribunal stands modified. Accordingly, the appeal **FAO-3052-2020** filed by the Insurance Company is dismissed and the cross-objections being **XOBJC-21-2021** filed by the claimants are allowed. Pending applications, if any, also stand disposed off.

24.02.2026
Yogesh Sharma

**( ALKA SARIN )**
**JUDGE**

NOTE: Whether speaking/non-speaking: Speaking
Whether reportable