**IN THE HIGH COURT OF PUNJAB AND HARYANA
AT CHANDIGARH**

Sr. No.130

**FAO-1007-2016
Date of Decision: 16.03.2026**

SUDESH AND OTHERS

....Appellants

Versus

MUKHTIAR SINGH AND OTHERS

.....Respondents

CORAM: HON'BLE MRS. JUSTICE ARCHANA PURI

Present:- Mr. Svamin Sharma, Advocate for
Mr. Vipul Dharmani, Advocate
for the appellants.

Mr. Mandeep Singh Sachdev, Senior Advocate, assisted by
Mr. Om Malhan, Advocate,
for respondent No.2
(through video conferencing).

Mr. Pradeep Kumar, Advocate
for respondent No.3-Insurance Company.

Proforma respondent No.4 proceeded against *ex parte*
vide order dated 14.09.2016.

*****

ARCHANA PURI, J. (Oral)

The present appeal has been filed by the appellants/claimants for seeking enhancement of compensation, awarded by learned Motor Accident Claims Tribunal, on account of death of Darshan Kumar, in a motor vehicular accident.

Counsel for the parties heard.

On appraisal of the evidence brought on record, learned Tribunal had concluded about the accident to have taken place on 01.10.2014, on account of rash and negligent driving of the bus bearing No.CH-01-TA-6565, being driven by respondent No.1-Mukhtiar Singh. It was also concluded by learned Tribunal about the said accident, to have resulted in death of Darshan Kumar, who was 54 years old, at the relevant time and he was working as 'Sweeper' in the Railway Department. Considering the same and also taking into consideration the last drawn salary, as depicted in salary certificate, which was proved in evidence as Ex.PW-1/B, the earnings of the deceased were worked upon as Rs.28,907/-. After making deduction on the count of income tax to the extent of Rs.660/-, the monthly earnings were taken as Rs.28,367/-, annual whereof comes to Rs.3,40,404/-. However, major son of the deceased, who is proforma respondent No.4 herein, was not considered as dependent upon the deceased and thus, claimants No.1 to 3, who are the appellants, being widow and unmarried daughters of the deceased, were considered as dependents. There was deduction to the extent of 1/3rd i.e. Rs.1,13,468/- and as such, the annual 'loss of dependency' was worked upon as Rs.2,27,036/-. Considering the age of the deceased to be 54, multiplier of '11' was applied and while applying the same, the compensation was worked upon as Rs.24,97,396/- (2,27,036 x 11).

Besides the aforesaid calculation, the compensation to the extent of Rs.25,000/- each was awarded on the counts of 'loss of consortium', as well as 'funeral expenses' and an amount of Rs.10,000/- was also awarded on the count of 'loss of estate'. Total compensation was worked upon as Rs.25,57,396/-, which is now reproduced in tabular form as herein:-

Earnings	Rs. 28,907/-
Liability of income tax	Rs. 660/-
Monthly earnings (after deduction of income tax)	Rs. 28,367/-
Annual earnings	Rs. 3,40,404/- (28,367 x 12)
Deduction (1/3rd)	Rs. 1,13,468/-
Loss of dependency (Annual)	Rs. 2,27,036/- (3,40,404 – 1,13,468)
Multiplier applied (11)	Rs. 24,97,396/- (2,27,036 x 11)
Loss of consortium	Rs. 25,000/-
Funeral expenses	Rs. 25,000/-
Loss of Estate	Rs. 10,000/-
Total	**Rs. 25,57,396/-**

However, the **'work on'** of compensation aforesaid, do call for recomputation.

So far as, age of the deceased is concerned, the same is not disputed by the parties. Also, the counsel for the parties do not dispute about employment of the deceased as 'Sweeper' in Railway Department and his monthly earnings to be Rs.28,907/- (before deduction of income tax). Even, counsel for the Insurance Company, does not dispute about the extent of income, worked upon by learned Tribunal, while making deduction of the income tax to the tune of Rs.660/-. After making requisite deduction of the income tax, the earnings are taken as Rs.28,367/-. Addition to the extent of 15% i.e. Rs.4,255/- has to be made, on the count of 'future prospects' and as such, the monthly earnings are now assessed as Rs.32,622/- (28,367 + 4,255). Also, the deduction to be made, is to the extent of 1/3rd i.e.

Rs.10,874/- and as such, the monthly 'loss of dependency' works upon as Rs.21,748/- (32,622 – 10,874), annual whereof is Rs.2,60,976/-. Considering the age of the deceased, '11' is the appropriate multiplier, as applied by learned Tribunal. After applying the same, the compensation works upon as Rs.28,70,736/- (2,60,976 x 11).

Besdies the aforesaid, as per '***National Insurance Company Limited Vs. Pranay Sethi and others' 2017(4) RCR (Civil) 1009***, considering the base amount of Rs.40,000/-, to be paid on the count of 'loss of consortium', which is having a clause of 10% enhancement, after every 3 years of pronouncement, now, the amount payable to each dependent is Rs.48,400/-. While taking it to be so, the amount on the count of 'loss of consortium' works upon as Rs.1,45,200/- (48,400 x 3). Besides the same, even under the count of 'loss of estate', as well as 'funeral expenses', an amount of Rs.36,300/- (18,150 + 18,150), is payable at present.

In view of the aforesaid, the appellants are also held entitled to an amount of Rs.1,81,500/- (1,45,200 + 36,300) under the conventional heads. As such, the appellants are entitled to the compensation, to the extent of **Rs.30,52,236/-** (28,70,736 + 1,81,500), which is reproduced in tabular form as herein:-

Earnings	Rs. 28,907/-
Liability of income tax	Rs. 660/-
Monthly earnings (after deduction of income tax)	Rs. 28,367/-
Future prospects (15%)	Rs. 4,255/-
Monthly earnings (after addition of future prospects)	Rs. 32,622/- (28,367 + 4,255)
Deduction (1/3rd)	Rs. 10,874/-

Loss of dependency (monthly)	Rs.21,748/- (32,622 – 10,874)
Annual loss of dependency	Rs.2,60,976/- (21,748 x 12)
Multiplier applied (11)	Rs.28,70,736/- (2,60,976 x 11)
Loss of consortium	Rs.1,45,200/- (48,400 x 3)
Funeral expenses	Rs. 18,150/-
Loss of Estate	Rs. 18,150/-
Total	**Rs.30,52,236/-**

After deducting an amount of Rs.25,57,396/-, which has already been awarded by learned Tribunal, from Rs.30,52,236/-, the appellants are entitled to enhanced amount of Rs.4,94,840/-. The apportionment of the enhanced amount shall be in consonance with the apportionment done by learned Tribunal i.e. to the extent of 40% to be awarded to the widow and 30% each, to the daughters. On the enhanced amount, the appellants shall be held liable to the interest @ 6% per annum, from the date of filing of the appeal, till realization. In case of any default on the part of the Insurance Company, to make the payment in the given period, it shall be liable to pay penal interest @ 8% per annum, till realization.

In view of the aforesaid terms, the FAO stands allowed.

(ARCHANA PURI)
JUDGE

16.03.2026
Himanshu Vats

Whether speaking/reasoned : Yes

Whether reportable : Yes/No