IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH

(i) FAO-5198-2013 (O&M)

Punjab State Bus Management Company Limited and others
...Appellants

VERSUS

Mohanjeet Kaur and others
...Respondents

(ii) XOBJC-48-CII-2014 (O&M)

Punjab State Bus Management Company Limited and others
...Appellants

VERSUS

Mohanjeet Kaur and others
...Respondents

Date of Decision: February 09, 2026

CORAM: HON'BLE MRS. JUSTICE ARCHANA PURI

Present: Ms.Jagriti Kalia, Advocate
for the appellants.

Mr.Vikas Bali, Advocate
for respondents No.1 to 3-cross-objectors
(through video conferencing).

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ARCHANA PURI, J.

Appellants have filed the present appeal, thereby, assailing the Award dated 17.05.2013 passed by learned Motor Accident Claims Tribunal, whereby, compensation was awarded, on account of death of Dr.Amardeep Singh Kohli, in a motor vehicular accident, which took place on 11.04.2011.

Upon notice, respondents No.1 to 3-claimants have made appearance and filed cross-objections, thereby, seeking enhancement of the compensation.

Now, today before proceeding further, learned counsel for the appellants submits that the appellants only assail the impugned Award, on the question of quantum of compensation awarded. However, after having some interaction with the counsel for the appellant as well as counsel for the respondents, counsel for the appellants has made an offer to work on the compensation, while taking the income of deceased Dr.Amardeep Singh Kohli as Rs.50,000/- per month.

Also, the offer made by counsel for the appellant, is acceptable to the counsel for respondents No.1 to 3-claimants (cross-objectors).

As per the amicable settlement so reached, both the sides have no objection, if the compensation is re-computed, while taking the earnings of deceased as Rs.50,000/- per month.

Before proceeding further, with the able assistance of counsel for both the sides, reference is being made to paragraph No.15 of the impugned Award, wherein, the monthly income of the deceased was assessed, on the basis of the income tax return, while taking the last income tax return for the assessment year 2011-2012 Ex.P10. As per the same, the gross income of the deceased was taken as Rs.7,06,990/- and after deduction of the income tax, the earning was taken as Rs.6,01,380/-. Considering the same, the monthly income was worked upon as Rs.50,000/- approximately. 1/3rd was deducted, on the count of 'personal expenses' of the deceased and the residue income was worked upon as Rs.33,300/- per month approximately, the annual whereof is Rs.3,99,600/-. Considering the age of the deceased as 41 years, multiplier of '15' was applied and the loss of dependency was worked upon as Rs.3,99x600x15=Rs.59,94,000/-.

Besides the aforesaid, on the basis of the bills Ex.P1, Ex.P11 to Ex.P15, the total amount of the bills was taken as Rs.36,875/-, which was also awarded. On the count of 'loss of consortium', another amount of Rs.10,000/- was awarded to claimant No.1-wife of the deceased and on the count of 'funeral expenses', an amount of Rs.5,000/- was awarded. In total, the compensation awarded was Rs.59,94,000+36875+10000+5000= Rs.60,45,875/-.

However, the 'work on' of the compensation, do call for re-computation, as per settled prevalent law.

The income tax return Ex.P10 was the post-death return, but however, considering the same and taking some clue from the earlier income tax return and evidence, brought on record, learned counsel for the appellants has very fairly agreed for the amount of Rs.50,000/- per month, to be taken as income of the deceased. However, even if the said said extent of income, as amicably settled between the parties, is taken, but still, considering the settled law, various counts have been given amiss. Considering the aforesaid observations, the compensation worked upon aforesaid, do call for re-computation.

At this juncture, it is pertinent to mention that as per amicable settlement reached between the parties, the income of deceased Dr.Amardeep Singh Kohli is taken as Rs.50,000/- per month, annual whereof is Rs.6,00,000/-. However, as per ***National Insurance Company Limited vs. Pranay Sethi and others, 2017(4) RCR (Civil) 1009***, for the purpose of 'work on' of the compensation, actual salary ought to be taken minus tax component. Considering the same, the tax is required to be deducted, as per the tax slab, prevailing at the relevant time. In the case in hand, the earnings of the deceased, do fall within the taxable limits, as per prevalent tax slab for the period 2011-2012. The annual earnings of deceased were Rs.6,00,000/-. As per prevalent tax slab, income tax was 'Nil' upto Rs.1,60,000/-. However, from the income bracket of Rs.1,60,000-5,00,000/-, income tax payable was 10%, which is to the extent of Rs.34,000/-. Furthermore, for the income bracket of Rs.5,00,000-10,00,000/-, the tax payable was 20%. After deduction of Rs.5,00,000/-, the residue taxable amount works out to be Rs.6,00,000-5,00,000=Rs.1,00,000/- and therefore, working upon the tax on this amount @ 20%, it comes to be Rs.20,000/-. Thus, the total tax payable, comes to be **Rs.54,000/-**. After making deduction of the aforesaid extent of income tax amount, the residue annual income, comes out to be Rs.6,00,000-54,000=**Rs.5,46,000/-**.

Now proceeding further, considering the age of the deceased to be 41 years, addition on the count of 'future prospects', ought to be made to the extent of 25%. Even, the multiplier applied by learned Tribunal is '15', which ought to be '14'. Further, the compensation on the count of 'loss of consortium' has been awarded to claimant No.1-wife of the deceased only, but however, as per ***Magma General Insurance Company Limited vs. Nanu Ram @ Chuhru Ram and others, 2018 (18) SCC 130***, all the dependents are entitled to compensation, on the count of 'loss of consortium, be it 'filial', 'spousal' or 'parental', which also comprehends 'loss of love and affection'. Thus, the children of the deceased together with widow, are entitled to compensation, on the count of 'loss of consortium'. As per

Pranay Sethi's case (supra), the minimum amount payable is Rs.40,000/-. While applying enhancement clause to the extent of 10%, after every three years of passing of the judgment, the compensation payable to each dependent is Rs.48,400/-. Thus, respondents No.1 to 3-claimants are entitled to compensation, on the count of 'loss of consortium' to the extent of Rs.48,400/- each i.e. Rs.48,400x3=**Rs.1,45,200/-**. On the same parameters, as per prevalent settled law, on the counts of 'loss of estate' and 'funeral expenses', the amount now payable is **Rs.18,150/-** on each count.

Furthermore, learned Tribunal has appropriately awarded an amount of Rs.36,875/-, on the basis of the bills Ex.P1, Ex.P11 to Ex.P15.

Considering the same, the compensation payable to respondents No.1 to 3-claimants, on account of death of Dr.Amardeep Singh Kohli is re-computed, as herein given:-

Annual income after deduction of tax	Rs.5,46,000/-
Deduction of 1/3rd	Rs.5,46,000-1,82,000=Rs.3,64,000/-
Addition of future prospects @ 25%	Rs.3,64,000+91000=Rs.4,55,000/-
Multiplier of '14'	**Rs.4,55,000x14=Rs.63,70,000/-**
Loss of consortium	**Rs.1,45,200/-**
Loss of estate	**Rs.18,150/-**
Funeral expenses	**Rs.18,150/-**
Medical expenditure	**Rs.36,875/-**
Total	**Rs.65,88,375/-**

As such, the enhanced compensation, after the deduction of compensation awarded by the Tribunal comes to be **Rs.65,88,375-60,45,875=Rs.5,42,500/-**. On the enhanced amount of the compensation i.e. **Rs.5,42,500/-**, respondents No.1 to 3-claimants, shall be entitled to the interest, at the rate of 6% per annum, from the date of filing of the present appeal, till realization of the enhanced amount of compensation. The enhanced amount of compensation shall be disbursed to respondents No.1 to 3-claimants, in equal shares.

The impugned Award dated 17.05.2013 stands modified, to the extent, as indicated aforesaid. The remaining terms, with regard to the liability to pay the compensation, shall remain the same.

With the above observations, FAO-5198-2013 stands dismissed, whereas, XOBJC-48-CII-2014 stands allowed.

February 09, 2026 **(ARCHANA PURI)**
Vgulati **JUDGE**

Whether speaking/reasoned **Yes**
Whether reportable **Yes/No**