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IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH

FAO-3201-2018 (O&M)
Date of Decision : 21.01.2026

Rajesh and Another ... Appellants

Versus

Sandeep and Others ... Respondents

CORAM : HON'BLE MRS. JUSTICE ALKA SARIN

Present : Mr. Prafful Rana, Advoate for
Mr. Navneet Singh, Advocate for the appellants.

Mr. Ajit Sihag, Advocate for respondent Nos.1 and 2.

Mr. Nigam K. Bhardwaj, Advocate for respondent No.3.

ALKA SARIN, J. (Oral)

1. Present appeal has been preferred by the claimant-appellants aggrieved by the quantum of compensation awarded by the Motor Accident Claims Tribunal, Sonipat (hereinafter referred to as 'Tribunal') vide the impugned award dated 04.10.2017 on account of death of Sumit (hereinafter referred to as the 'deceased') in a motor vehicle accident which occurred on 23.08.2016.

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	₹6,000/-
2	Annual Income	₹72,000/- [₹6,000 x 12]
3	Deduction - 50%	₹36,000/- [₹72,000 - ₹36,000]
4	Multiplier - 18	₹6,48,000/- [₹36,000 x 18]
5	Future Prospects @ 50%	₹3,24,000/-
6	Funeral expenses	₹25,000/-
	Total Compensation	**₹9,97,000/-**
	Disbursed amount	**[₹9,97,000 – 3,24,000] = ₹6,73,000/-**
	Interest	**7.5%**

4. Learned counsel for the claimant-appellants would contend that he does not challenge the deduction and the multiplier as applied by the Tribunal. He, however, states that the Tribunal has erred in assessing the income of the deceased as per the minimum wage for an unskilled worker i.e. ₹6,000/- per month inasmuch as the deceased in the present case was a young boy of 20 years and had completed his 12th Class and had a very bright future ahead hence the income of the deceased ought to have been assessed as per the minimum wage of a skilled worker which was ₹9,342/- per month. Learned counsel for the claimant-appellants would further contend that though the Tribunal has awarded an amount of ₹3,24,000/- on account of loss of future prospects @ 50% however, disbursal of the same was stayed subject to decision of a reference by the Hon'ble Supreme Court in the case of **National Insurance Company Ltd. vs. Pushpa & Ors. [2015 (4) SCC (Civil) 335]**. Learned counsel for the claimant-appellants has further contended that the compensation awarded under the conventional heads is not in accordance with the law laid down by the Hon'ble Supreme Court and that the Tribunal has also not awarded any compensation under the head 'loss of consortium'. In support of his contentions, he has relied upon the 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]**.

5. Learned counsel for respondent No.3-Insurance Company has contended that the income of the deceased has rightly been assessed by the Tribunal and that there is no scope of any enhancement.

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

7. Admittedly, no appeal has been preferred by the Insurance Company. In the present case, the deceased was a young boy of 20 years of age and had completed 12th Class. The Tribunal has assessed the income of the deceased as ₹6,000/- per month which in the opinion of this Court is erroneous inasmuch as admittedly the deceased was a young boy of 20 years of age and had also completed his 12th Class. Hence, his income ought to have been assessed as per the minimum wage as applicable to a skilled worker. Hon'ble Supreme Court in the case of **Karuna Parmar Vs. Prakash Sinha & Ors. [Civil Appeal No.2317 of 2025 arising out of SLP (C) No.6428 of 2023 decided 11.02.2025]**, while relying on **Baby Sakshi Greola Vs. Manzoor Ahmad Simon & Anr. [2025 (1) RCR (Civil) 238]**, awarded the compensation in the case of a 6 years' old child who had died in an accident which occurred on 07.03.2014 as per the minimum wages applicable for a skilled worker in the year 2014.

8. In a recent judgment the Hon'ble Supreme Court in the case of **Hitesh Nagjibhai Patel vs. Bababhai Nagjibhai Rabari & Anr. [2025 INSC 1070]** has held as under :

"9. On the aspect of monthly income of the minor appellant, we are inclined to interfere with the judgment and order of the Courts below. In the present case, it is evident that the Courts below have failed to take into account the monthly income of the appellant while determining the quantum of compensation. <u>It is now a well-entrenched and consistently reiterated principle of law that a minor child who suffers death or permanent disability in a motor vehicle accident, cannot be placed in the same category as a non-earning individual for the purposes of assessing the amount of compensation because the child was not engaged in gainful employment at the time of the accident</u>. In such a case, the computation of compensation under the head of loss of income ought to be made by adopting, at the very least, the minimum wages payable to a skilled workman as notified for the relevant period in the respective State where the cause of action arises. The said observation was rendered by this Court, in Kajal Vs. Jagdish Chand & Ors. [2020 (2) RCR (Civil) 27], and of Baby Sakshi Greola Vs. Manzoor Ahmad Simon & Anr. [2025 (1) RCR (Civil) 238]."

9. Their Lordships in the above referred cases applied a multiplier of '18' besides granting future prospects and compensation under the other heads. Taking a cue from the afore-referred judgments, this Court deems it appropriate to assess the income as per the minimum wage for a skilled worker as applicable in August 2016 as the accident took place on 23.08.2016. The

minimum wage for a skilled worker prevailing in Haryana in August 2016 was ₹9,342/- per month. Hence, the income of the deceased is assessed as ₹9,342/- per month.

10. Since no challenge has been laid by the learned counsel for the claimant-appellants to the deduction and the multiplier, the same are accordingly maintained. The Tribunal in the impugned award had made an addition of 50% towards loss of future prospects and awarded an amount of ₹3,24,000/- however, disbursal of the same was stayed subject to decision of a reference by the Hon'ble Supreme Court in the case of **National Insurance Company Ltd. vs. Pushpa & Ors.** *(supra)*. The reference was answered by the Constitution Bench of the Hon'ble Supreme Court in the case of **Pranay Sethi** (supra). Learned counsel for the claimant-appellants has stated that the said amount has still not been disbursed to the claimant-appellants. Keeping in view the age of the deceased being 20 years and as per the law laid down by Hon'ble Supreme Court in case of **Pranay Sethi** (supra), the claimant-appellants would be entitled to an addition of 40% towards loss of future prospects. Further, the compensation awarded by the Tribunal under the conventional heads is not in consonance with the law laid down by Hon'ble Supreme Court and that Tribunal has also not awarded any compensation under the head 'loss of consortium'. Hence 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), the claimant-appellants 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 claimant-appellants (parents of the deceased) 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	₹9,342/-
2	Annual Income	₹1,12,104/- [₹9,342 x 12]
3	Deduction - 50%	₹56,052/- [₹1,12,104 - ₹56,052]
4	Future Prospects - 40%	₹78,473/- [₹56,052 + ₹22,421]
5	Multiplier - 18	₹14,12,514/- [₹78,473 x 18]
6	Loss of estate	₹18,000/-
7	Funeral expenses	₹18,000/-
8	Loss of consortium (i) Filial [₹48,000/- x 2]	 ₹96,000/- (Total ₹96,000/-)
	Total Compensation	**₹15,44,514/-**

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 present appeal is allowed and the award passed by the Tribunal stands modified accordingly. Pending applications, if any, also stand disposed off.

21.01.2026 **(ALKA SARIN)**
jk **JUDGE**

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