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IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH

FAO-7910-2017 (O&M)
Date of decision: 21.01.2026

Davinder Singh and others

...Appellants

Versus

Gurmeet Singh @ Gurpreet Singh and others

...Respondents

CORAM: HON'BLE MR. JUSTICE VIKAS BAHL

Present: Mr. Pankaj Katia, Advocate for the appellants.

Mr. Paul S. Saini, Advocate for respondent No.3.

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VIKAS BAHL, J. (ORAL)

1. Parents and minor sister have filed the present appeal for enhancement of the amount of compensation. Vide award dated 10.07.2017, the Motor Accident Claims Tribunal, Bathinda (hereinafter to be referred as "the Tribunal") had awarded the total amount of compensation to the tune of Rs.12,87,660/- along with interest to the appellants on account of death of Sukhpreet Singh which had occurred in a motor vehicular accident that had taken place on 06.02.2016. The only question that arises for consideration before this Court is as to whether the appellants are entitled to enhancement of compensation or not as the other aspects are not being disputed before this Court.

2. Learned counsel for the appellants has submitted that in the

present case, deduction which had been ordered by the Tribunal was to the extent of ½ whereas deduction should have been made to the extent of 1/3rd. It is further submitted that no benefit of future prospects has been given and thus, 40% of the income of the deceased should be taken into consideration for the purpose of future prospects. It is further argued that on account of loss of consortium, an amount of Rs.96,000/- should be awarded to the parents and further on account of loss of estate, an amount of Rs.18,000/- should be awarded. It is submitted that the transportation expenses had been taken to be Rs.3960/- whereas an amount of Rs.10,000/- should have been awarded on the said account. It is argued that notional income in the present case was taken to be Rs.7500/- whereas the Tribunal should have assessed the income of the deceased to be much higher in view of the fact that it had been proved on record that the deceased was a student of B.Com-II and was also doing a course of Chartered Accountant from the Institute of Chartered Accountants of India and the said plea raised by the appellants had also been accepted by the Tribunal in para 22 of the award. It is submitted that in similar circumstances, the Coordinate Bench of this Court vide ***order dated 28.02.2018*** passed in ***FAO-1554-2014 titled as "Parveen Kumar and another Vs. Balbir Singh and others***", while considering the case of a student who was in fifth semester of Mechanical Engineering had observed that he had bright future and thus, his income was taken to be Rs.15,000/- per month. It is submitted that the accident in the said case had taken place in the year 2012 whereas the accident in the present case had taken place in 2016. It is argued that in the said circumstances, income should be taken as at least Rs.15,000/- per month. It is further submitted that the enhanced amount be paid to the appellants along with the interest at the rate of 9% per annum from the date of filing of the claim petition till its realisation. In support of his arguments, learned counsel for the appellants has relied upon the law laid down by the Hon'ble Supreme Court in case titled as ***Sarla Verma (Smt.) and others Vs. Delhi Transport Corporation and another*** reported as ***(2009) 6 SCC 121***, ***National Insurance Company Limited Vs. Pranay Sethi and others*** reported as ***(2017) 16 SCC 680***, and ***Magma General Insurance Company Limited Vs. Nanu Ram alias Chuhru Ram and others*** reported as ***(2018) 18 SCC 130***.

3. On the other hand, learned counsel for respondent No.3-Insurance Company has submitted that since the deceased was a Bachelor thus, the Tribunal had rightly deducted 50% i.e. ½ on account of deduction. It is further argued that an amount of Rs.1,25,000/- has been awarded on account of conventional heads and thus, highest amount that can be awarded to the appellants on account of conventional heads is Rs.1,50,000/- (funeral expenses=Rs.15,000/-, loss of estate=Rs.15,000/- and consortium= Rs.40,000/-x3=Rs.1,20,000/-). It is further submitted that the rate of interest which is sought to be claimed by the appellants i.e., 9% per annum is highly excessive and the highest rate of interest that can be awarded on the additional amount of compensation is at best 6% per annum.

4. Learned counsel for the appellants, after taking into consideration the objection raised by learned counsel for the Insurance Company, has submitted revised chart which is reproduced hereinbelow:-

"FAO No. 7910 OF 2017

APPELLANT HEREIN: CLAIMANTS

DATE OF ACCIDENT: 06.02.2016

NATURE OF CASE: DEATH

AGE OF DECEASED: 20 Years

Driving License/ Route Permit/Insurance: Not Disputed

Details	Before The Tribunal	Compensation Claimed As Per Judgments Of Pranay Sethi, Sarla Verma & Magma Gen Ins	Calculations
INCOME	7,500 x 12 =90,000	Monthly:Rs. 15,000/-	
Future Prospects	-NIL-	+40%	15,000+40% =21,000 Yearly = 21,000 X 12=2,52,000
DEDUCTIONS	50%	50%	2,52,000/2= 1,26,000
MULTIPLIER	18x	18x	1,26,000 x 18 = 22,68,000
CONSORTIUM	Rs.1,00,000	40,000 x 3 = Rs.1,20,000/-	22,68,000 + 1,20,000 = 23,88,000/-
FUNERAL	Rs.25,000	Rs.15,000/-	23,68,000 + 15,000 = 24,03,000
LOSS OF ESTATE	-NIL-	Rs.15,000/-	24,03,000 + 15,000 = 24,18,000/-
TRANSPORT	Rs.3960	Rs.10,000/-	24,18,000 + 10,000 = 24,28,000/-

MEDICAL EXPENSES	*Rs.3,48,700*	*Rs.3,48,700/-*	*24,28,000 + 3,48,700 = 27,76,700*
TOTAL COMPENSATION	*Rs.12,87,660/-*	*Rs.27,76,700/-*	*27,76,700 – 12,87,660 = 14,89,040/-*
FINAL COMPENSATION		*Rs.14,89,040/-*	
INTEREST		*7.5%*	

Dated 21.01.2026 *Sd/- (Pankaj Katia) for app."*

5. Learned counsel for the appellants has thus, fairly stated that a perusal of the revised chart would show that appellants have fairly changed the deduction to 50% and have reduced the amount claimed under conventional heads to Rs.1,50,000/- (funeral expenses=Rs.15,000/-, loss of estate=Rs.15,000/- and consortium= Rs.40,000/-x3=Rs.1,20,000/-), on account of objection raised by learned counsel for respondent No.3.

6. This Court has heard learned counsel for the parties and has perused the paper book and has also considered the said revised chart and the same has been found to be in accordance with law.

7. Hon'ble the Supreme Court in para 42 of ***Sarla Verma's case*** (Supra) had observed as under:-

> *"We therefore hold that the multiplier to be used should be as mentioned in column (4) of the Table above (prepared by applying Susamma Thomas, 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."

8. A perusal of the above would show that for the age of 20 years, multiplier of 18 is to be applied.

9. The Hon'ble Supreme Court in ***Pranay Sethi's case*** (Supra), has held as under:-

> *"59.In view of the aforesaid analysis, we proceed to record our conclusions:-*
>
> *59.1 The two-Judge Bench in Santosh Devi should have been well advised to refer the matter to a larger Bench as it was taking a different view than what has been stated in Sarla Verma, a judgment by a coordinate Bench. It is because a coordinate Bench of the same strength cannot take a contrary view than what has been held by another coordinate Bench.*
>
> *59.2 As Rajesh has not taken note of the decision in Reshma Kumari, which was delivered at earlier point of time, the decision in Rajesh is not a binding precedent.*
>
> *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 paragraphs 30 to 32 of Sarla Verma which we have reproduced hereinbefore.

59.6 The selection of multiplier shall be as indicated in the Table in Sarla Verma read with paragraph 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.

60. The reference is answered accordingly. Matters be placed before the appropriate Bench."

10. A perusal of the above judgment would show that it was observed by the Hon'ble Supreme Court that addition of some percentage of the actual salary to the income of the deceased towards future prospects was also required to be taken into consideration and the said percentage was specifically defined with respect to persons who were having a permanent job or/were self-employed or on a fixed salary.

11. The Hon'ble Supreme Court in ***Magma General Insurance Company Limited's case (Supra)*** had further observed that in death case, under the head of loss of consortium, the parents of the deceased are entitled to be awarded loss of consortium under the head of filial consortium, children are entitled to parental consortium. To the widow, spousal

consortium is to be given. Relevant portion of the said judgment is reproduced hereinbelow:-

> *"21. A Constitution Bench of this Court in Pranay Sethi 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,co-operation, 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 recognized 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 5. 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 Sethi (supra). 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."

12. In the abovesaid judgment, an amount of Rs.40,000/- each was awarded to the father and sister of the deceased and thus, the amount of consortium awarded was made dependent upon the number of claimants/legal representatives.

13. The only issue which is now required to be adjudicated by this Court is the fact as to what amount should be assessed as income of the deceased. A perusal of the award, more so, para 22 of the award would

show that the Tribunal had accepted the evidence of the claimants/appellants including that of Davinder Singh-CW1 to the effect that deceased-Sukhpreet Singh was a student of B.Com II and was also doing the course of Chartered Accountant and was aged about 20 years at the time of accident. Although the argument of the claimants/appellants to the effect that the deceased was also doing a private job was not accepted but it was observed by the Tribunal that after completing his studies, he would have been adjusted in some profession and after taking into consideration the said aspects, an amount of Rs.7500/- per month was assessed as income of the deceased on notional basis. It was the case of the claimants, regarding which they had also led evidence, that the deceased was a brilliant student and was about to become a Chartered Accountant. In the case of ***Parveen Kumar and another*** (Supra) in which accident had taken place in the year 2012, the Coordinate Bench of this Court after taking into consideration the bright future of the student of fifth semester of Mechanical Engineering had assessed the income of the deceased therein to be Rs.15,000/- per month. In the present case, admittedly accident had taken place in 2016 i.e., four years after the date of the accident in the abovesaid case. Although the deceased in the said case was a student of fifth semester of Mechanical Engineering and was slightly better placed than the deceased in the present case, who was a B.Com-II student and was stated to be doing the course of Chartered Accountant from the Institute of Chartered Accountants of India, but taking into consideration the fact that the accident in the present case had taken place four years after the accident in the abovesaid case, this Court is of the view that an amount of Rs.15,000/- per month should be taken as the notional income of the deceased in the present case also. Thus, the claim raised by the appellants to the said extent is also allowed. Accordingly, the appellants are entitled to an additional amount of compensation of Rs.14,89,040/-. With respect to the rate of interest, this Court has been consistently awarding rate of interest at the rate of 7.5% per annum, which rate of interest is also reasonable in the present case.

14. Keeping in view the abovesaid facts and circumstances, the present appeal is partly allowed and the award dated 10.07.2017 is modified and respondent No.3 is directed to pay the additional amount of compensation to the tune of Rs.14,89,040/- to the appellants along with interest at the rate of 7.5% per annum from the date of filing of the claim petition till its realisation within a period of two months from today.

15. All the pending miscellaneous applications, if any, shall stand disposed of in view of the abovesaid order.

21.01.2026 **(VIKAS BAHL)**
Pawan **JUDGE**

Whether speaking/reasoned:- Yes/No

Whether reportable:- Yes/No