



FAO-5448-2017 (O&M)

1

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

FAO-5448-2017 (O&M)

National Insurance Co. Ltd.

.....Appellant(s)

vs.

Manjit Kaur and others

.....Respondent(s)

Date of Reserve: February 06, 2026

Date of Pronouncement:- 10 .03.2026

Date of Uploading:- 17.03.2026

Whether only the operative part of the judgment is pronounced?

NO

Whether full judgment is pronounced?

YES

CORAM: HON'BLE MRS. JUSTICE SUDEEPTI SHARMA

Present: Mr. Vikas Chatrath, Advocate with
Ms. Preet Agora and Mr. Abhishek Sharma, Advocates
for the appellant.

Mr. Suveer Sheokand, Advocate
for respondent Nos. 1 to 4.

SUDEEPTI SHARMA J.

1. The present appeal has been preferred by the appellant-Insurance Company against the award dated 24.01.2017 filed under Section 166 of the Motor Vehicles Act, 1988 by the learned Motor Accident Claims Tribunal, Ludhiana (for short, 'the Tribunal') wherein the appellant-Insurance Company was fastened with the liability to pay the compensation of Rs. 23,71,000/- to the claimant/respondent No.1 to 4 along with interest @ 7.5% per annum and recovery rights were granted to recover the same from owner of the offending vehicle as well as quantum of compensation being on higher side.

**FACTS NOT IN DISPUTE**

2. Brief facts of the case are that on 25.06.2014, Jagtar Singh deceased was on the wheels of one Trola Truck No.PB-23F-6545, and was going from Katani Kalan towards Kohara side. He was driving his Trola Truck on the left side of the road and at a moderate speed. When at about 9,00 PM, he had reached in front of Kitty Bread, then Truck No.PB-10DZ-6236 which was being driven rashly and negligently and at a zig-zag manner by its driver Mohinder Singh since deceased son of Buta Singh, resident of Bajwa Colony, Banoor, District Mohali, came from Kohara side and came on its wrong side of the road all of a sudden, without giving any signal and struck against the side of Trola Truck No. PB-23F-6545, which was being driven by Jagtar Singh since deceased at a normal speed as a result of said accident caused by Mohinder Singh deceased driver of Truck No.PB-10DZ-6236, Jagtar Singh received multiple accidental injuries which proved fatal and he succumbed to the injuries on 05.07.2014. FIR No. 54 dated 26.06.2014 under Sections 279/337/338/427 of IPC was registered at P.S. Koom Kalan, Ludhiana on the statement of Gurdial Singh.

3. Upon notice of the claim petition, respondents appeared and admitted the factum of compensation.

4. From the pleadings of the parties, the following issues were framed by the learned Tribunal :-

“1. -Whether on 25.06.2014 at about 9: 00 P.M, in the area of P.S. Koom Kalan, deceased Jagtar Singh son of Ram Singh had died in a motor vehicle accident due to rash and negligent driving of offending vehicle i.e. Truck bearing registration No. PB-10DZ-6236 by Mohinder Singh deceased? OPP

2) If issue No. 1 is proved, whether the claimants are entitled to compensation, if so, from whom and to what extent? OPP

3) Whether the present claim petition is not maintainable? OPR



- 4) *Whether the claimants have no locus standi to file the present claim petition? OPR*
- 5) *Whether no such accident took place with Truck bearing No. PB-10DZ-6236 as alleged in the claim petition? OPR*
- 6) *Whether alleged driver of Truck bearing No. PB-10DZ-6236 was not holding valid and effective driving license at the time of alleged accident? OPR*
- 7) *Whether the present claim petition is bad for mis-joinder and non-joinder? OPR*
- 8) *Whether respondent No. 1 did not have the valid registration certificate, route permit and fitness certificate of Truck bearing No. PB-10DZ-6236? OPR*
- 9) *Relief.”*

5. After taking into consideration the pleadings and the evidence on record, the learned Tribunal awarded compensation to the claimants/respondent Nos. 1 to 4. However, the appellant-Insurance Company was held liable to pay the compensation at the first instance and granted the recovery rights to the appellant-Insurance Company to recover the same from owner of the offending vehicle (respondent No.5). Hence, the present appeal.

SUBMISSION OF LEARNED COUNSEL FOR THE PARTIES.

6. Learned counsel for the appellant–Insurance Company contends that the deceased, Mohinder Singh, was not holding a valid and effective driving licence at the time of the accident. He further submits that Mohinder Singh, who was driving the offending trolla truck bearing registration No. PB-23-F-6545, possessed only a licence to drive a Light Motor Vehicle (LMV) and was not authorised to drive a heavy goods vehicle.

7. He further argues that there was a clear violation of the terms and conditions of the insurance policy, therefore, the learned Tribunal, according to the



to satisfy the award at the first instance with liberty to recover the amount from the owner of the offending vehicle. He further contends that such a finding is unsustainable in law and that the liability to pay compensation ought to have been fastened solely upon the owner of the offending vehicle.

8. Learned counsel further submits that learned Tribunal has committed an error in law by awarding compensation separately under the heads of “loss of consortium” as well as “loss of love and affection.” He has placed reliance upon the Constitution Bench judgment of the Hon’ble Supreme Court in ***National Insurance Co. Ltd. v. Pranay Sethi*, 2017) 16 SCC 680]** to contend that compensation under the head of “loss of love and affection” is not permissible, and the claimants are entitled only to compensation under the conventional head of “loss of consortium.”

9. He further contends that the learned Tribunal has erred in awarding 50% towards future prospects instead of 40% as per settled law.

10. On the strength of these submissions, learned counsel prays that the present appeal be allowed.

11. Per contra, learned counsel appearing for the respondent No. 1 to 4—claimants submits that the alleged breach of the terms and conditions of the insurance policy gives rise to an *inter se* dispute between the appellant—Insurance Company and the owner and driver of the offending vehicle, with which the claimants/respondent Nos. 1 to 4 have no concern. He further contends that the learned Tribunal has correctly appreciated the settled legal position that even where the insurer succeeds in establishing breach of policy conditions, the learned Tribunal is competent to direct the Insurance Company to satisfy the award at the first instance and thereafter recover the amount from the owner or driver of the



12. He furthermore contends that the learned Tribunal has rightly awarded compensation. Therefore, according to the respondents, the impugned award does not suffer from any legal infirmity.

13. On these premises, learned counsel prays that the present appeal, being devoid of merit, deserves to be dismissed.

14. I have heard learned counsel for the parties and perused the whole record of this case.

15. It would be apposite to reproduce relevant portion of the award. The same is reproduced as under:-

“13 Now, the requisite question for determination arises as to whether the claimants are entitled to compensation, if so, to what extent and from which of the respondents?”

14 The claimants have come-forward with the plea that deceased Jagtar Singh was a skilled heavy goods vehicle driver with different transport companies from time to time and he was earning a sum of Rs.15,000/- PM and his income was increasing very tepidly, he was to start earning Rs. 30,000/- PM with a span of 2/3 years. He was energetic and was 28 years old. The deceased was the only source of moral and financial support to the claimants. The claimants have become all alone in world and have no nears and dears and they have suffered mental agony to the greatest extent on account of Jagtar Singh. The claimants were totally dependants upon the deceased. The deceased was lending all support to the claimants from all the corners. The deceased was having very good habits and he was having sound health. On account of the said accident, claimant No. 1 has lost her son, claimant No. 2 has lost her life partner and claimants No.3 and 4 have lost their father in a childhood. The claimants were totally dependants upon the income of the deceased. They depended upon the deceased morally as well as financially. The deceased was the only ray of hope for the claimants. On account of unnatural abrupt end of life of deceased, the life of the claimants have plunged into darkness. They



have got no charm in the life. The claimants have suffered mental agony to the greatest extent on account of untimely sudden death of Jagtar Singh. The deceased remained 10 days in DMC and Hospital and the claimants have spent a huge amount in an attempt to save the life of Jagtar Singh since deceased. To prove this fact, the claimant herself appeared into the witness box as PWI and proved documents i.e., medical bills Ex. P1 to Ex P124 amounting of Rs.3,17,401/-. The claimants have duly established that they are the legal heirs and dependents upon deceased Jagtar Singh who died in motor vehicle accident occurred due to negligence of Mohinder Singh deceased. As the claimants are the legal heirs and dependents, thus they are entitled to compensation due to untimely death of Jagtar Singh. In such a scenario, the deceased being skilled heavy goods vehicle driver with different transport companies from time to time and though there is no proof of his income, it is expected now a days that a person must skilled worker be earning Rs.8000/- per month. The annual income would thus come to Rs 1,44,000/- (Rs 8000+4000/- i.e 50% future prospects) X 12. As per the criteria laid down in Smt.Sarla Verma and others Vs. Delhi Transport Corporation and another, 2009(3) Recent Apex Judgments 373 of the Hon'ble Supreme Court of India, the deduction towards personal and living expenses of the deceased should be one-third (1/4th) where the number of dependent family are 4 to 6 as at the time of death of Jagtar Singh claimants were dependent upon him. Accordingly after deducting 1/4th of the income of the deceased towards his personal and living expenses, the annual dependency of the claimants comes to Rs.1,08,000/-. The claimants have come forward with the plea that deceased Jagtar Singh was 32 years of age at the time of accident. In postmortem Ex.P128, age of the deceased is mentioned as 32 years. Accordingly, the age of the deceased at the time of the accident is taken to be 32 years as per postmortem report Ex.128. In view of the second schedule of the Act, a multiplier of 16 has to be applied to work out the compensation where the deceased was in the age group of 31-35 years. Accordingly, after applying the



multiplier of 16 to the annual dependency of the claimants, the amount of compensation would come to Rs. 17,28,000/- (Rs 1,08,000 X 16).

15. Now amount of money can compensate the loss of a human life. No amount of money can wipe the tears, the trauma of the claimants. The trauma is for the lifetime. Therefore, the claimants are also entitled to get non-pecuniary compensation towards loss of love and affection, loss to estate and funeral expenses. In **Vimal Kanwar Versus Kishore Dan, PLR (CLXXI 2013-3), Santosh Devi Vs. National Insurance Company Ltd. and others, 2012(2) RCR(Civil) 882, Savita Vs. Binder Singh and others 2014(3) CivCC 182, Kalpanaraj and others Vs. Tamil Nadu State Transport Corporation, 2014(3) CivCC 456 and Smt. Neeta Vs. The Div. Manager, MSRTC, Kolhapur, 2015(2) Civil Court Cases 524**, Hon'ble Supreme Court of India awarded separate amount of compensation for loss of love and affection for each member of the family. Therefore all the claimants are entitled for Rs.50,000/- each for loss of love and affection. Loss of consortium Rs 1,00,000 and the compensation for funeral expenses are assessed Rs. 25,000/- and Rs. 3,17,401/- medical expenses. The total amount of compensation would come to Rs.23,70,401/- (Rs. 17.28,000/- Rs.25,000/-Rs.1,00,000/- Rs 2,00.000+ 3.17,401/-), the round figure of which comes to Rs.23,71,000/-

16. Now the question arises from whom the claimants are entitled to receive the compensation. Sh. R.K.Chand, Advocate counsel for respondent No.2, Insurance Company Mohinder Singh deceased was not having any valid driving licence He has vehemently argued that further contended that Mohinder Singh sou of Buta Singh had only an LMV Licence. He was not authorised to drive a heavy goods vehicle. He further contended that Mohinder Singh deceased had licence to drive light transport vehicle and the owner i.e respondent No. I could not have checked or verified before handing over the vehicle to him and respondent No. 1 also did not step into the witness box, to state anything. He further contended that insurance company is not liable to pay compensation to the claimants. He further argued that in case Insurance Company is directed to pay the compensation



amount, then recovery rights may kindly be granted to the Insurance Company from respondents No.1. The counsel for the insurance company proved document i.e. Insurance Policy Ex. R1, verification report of DL. Ex R2 and Ex.R3 and copy of Driving License of Mohinder Singh Ex.R4, verification report of permit as Ex R5 and Ex P6 and copy of RC of vehicle No. PB-10DZ-6236 as Ex R7. As such the insurance company has succeeded to prove that respondent No. 1 violated the rules and terms of policy issued by respondent No.2. In this regard, he referred **National Insurance Co. Ltd. Va. Sarita and Ors. 2014(2) RCR (Civil) 212**, in which it was held that-breach of policy terms-Driver of offending vehicle i.e, insured truck, had only an LMV licence. He was not authorised to drive a heavy goods vehicle Since the appellant has successfully proved the breach of the terms and conditions of the policy, is entitled recovery rights against the respondent No.2 the principal tortfeasor and the respondent No.3. Similar observations were made by the Hon'ble Punjab and Haryana High Court in **Jamil Khan and another Vs M/s Bajaj Allianz General Insurance company Ltd. and others, 2013(1) RCR(Civil) 111. Shamsher Singh Vs. The New India Insurance Company Ltd. and others RCR(Civil) 117. In National Insurance Co. Ltd. Vs. Kaushalaya Devi & Ors., 2008(4) RCR (Civil) 902**, wherein the Hon'ble Supreme Court has observed that driving had licence to drive light transport vehicle and the owner could not have checked or verified the licence for driving a heavy goods vehicle before handing over the vehicle to him. Owner did not step into the witness box to state anything-Held Insurance Company not liable, owner is liable. The registration of the offending Truck bearing No. PB-10DZ-6236 is not in disputed. In view of the above said discussion, this Tribunal is of the considered view that respondent No.1 violated the rules and terms of policy issued by respondent No.2. Insurance Company proved that on the strength of licence, copy of which was proved as Ex R4, the holder was entitled to drive LMV LMVCAB, MCWG) Moreover respondent No.1 had not checked or verified before handing over the vehicle to Mohinder Singh deceased and respondent No. 1 also did not step into



the witness box to state anything in this regard. However the insurance company could claim the recovery on the ground that Mohinder Singh deceased was not authorised to drive a heavy goods vehicle and respondent No. 2 also had not checked or verified the licence of Mohinder Singh for driving a heavy goods vehicle before handing over the vehicle to him. In view of the above observation, both respondents No.1 owner and respondents No.2 Insurance Company are jointly and severally liable to pay the amount of compensation to the claimants. So, these issues are decided accordingly.

Relief

18. As a result of my discussion above, the present claim petition filed by the claimants is partly allowed, with costs. The claimants are held entitled to compensation to the tune of Rs 23,71,000 (Rs. Twenty three lacs and seventy one thousands only) along with interest at the rate of 7.1/2% per annum from the date of filing the claim petition in. 08.09.2014 till today. The amount shall be paid firstly by respondent No.2, the Insurance Company, which can recover the amount from respondent No.1 by executing this award like a decree, to the claimants within two months from the date of receipt of copy of this award, failing which the claimants are also entitled future interest at the rate of 6% per annum from the date of award till the realization of total amount. The amount of compensation shall be apportioned amongst the claimants as under-

<i>1. Rajwinder Kaur (widow) (claimant No. 2)</i>	<i>Rs 11,71,000/-</i>
<i>2. Anmolpreet Singh minor son (claimant No.3)</i>	<i>Rs.4,00,000/-</i>
<i>3. Gurnam Singh minor son (claimant No.4)</i>	<i>Rs 4,00,000/-</i>
<i>4. Manjit Kaur mother (Claimant No. 1)</i>	<i>Rs. 4,00,000/-</i>

The amount qua the share of minor claimants i.e. Amolpreet Singh and Gurnam Singh-claimants No.2 and 3) shall be deposited in a fixed account in the name of the minor with some nationalized Bank, under the guardianship of their mother Smt. Rajwinder Kaur (claimant No.1) till they attain majority.”



16. Having considered the rival submissions and perused the record, this Court finds no infirmity in the findings returned by the learned Tribunal on the issue of liability.

17. A perusal of the record reveals that the appellant–Insurance Company has succeeded in establishing that the deceased Mohinder Singh was holding only a Light Motor Vehicle (LMV) licence and was not authorised to drive a heavy goods vehicle, the consequence of such breach is now well settled in law. The consistent view taken by the Hon’ble Supreme Court as well as this Court is that the dispute regarding breach of policy conditions remains essentially an *inter se* dispute between the insurer and the insured. Such breach cannot be permitted to defeat the legitimate claim of third-party victims under the benevolent scheme of the Motor Vehicles Act.

18. The learned Tribunal, therefore, rightly held that although there have been a violation of the terms and conditions of the insurance policy, the claimants, being third-party victims, cannot be left remediless. In such circumstances, the settled principle is that the Insurance Company is required to satisfy the award at the first instance and thereafter recover the amount from the owner or driver of the offending vehicle.

19. The direction issued by the learned Tribunal directing the appellant–Insurance Company to pay the compensation amount to the claimants at the first instance, with liberty to recover the same from the owner of the offending vehicle, is thus in consonance with the settled legal position governing motor accident claims.

20. Consequently, the findings recorded by the learned Tribunal fastening the primary liability upon the appellant–Insurance Company to satisfy the award,



vehicle, are well reasoned and firmly rooted in settled law and do not call for any interference by this Court.

21. So far as the contention raised by learned counsel for the appellant–Insurance Company that the learned Tribunal committed an error in law by awarding compensation separately under the heads of “loss of consortium” as well as “loss of love and affection” is concerned, the said submission merits acceptance.

22. The Hon’ble Supreme Court in ***V. Pathmavathi and Others v. Bharti AXA General Insurance Co. Ltd. and Another***, 2026 INSC 131, has recently clarified the legal position with regard to compensation under conventional heads. The Apex Court has categorically held that “loss of love and affection” is not an independent or distinct head of compensation, and the same stands subsumed within the broader concept of consortium, which includes spousal, parental and filial consortium. Consequently, separate compensation under the head of loss of love and affection is impermissible. The relevant extract of the same is reproduced as under:-

“22. In [Rajesh](#) (supra), this Court recognised “loss of love and affection” as a distinct head of compensation, reflecting the non-pecuniary deprivation suffered by family members upon the untimely death of a loved one. However, the Constitution Bench in [Pranay Sethi](#) (supra) expressly disapproved this approach holding that [Rajesh](#) (supra) was rendered per incuriam and that compensation should be confined to three conventional heads, i.e., loss of estate, loss of consortium and funeral expenses in order to preserve consistency and certainty in awards. Observing disagreement, [Pranay Sethi](#) (supra) held thus:

52. As far as the conventional heads are concerned, we find it difficult to agree with the view expressed in *Rajesh* [*Rajesh v. Rajbir Singh*, (2013) 9 SCC 54]. It has granted Rs 25,000 towards funeral expenses, Rs 1,00,000 towards loss of consortium and Rs 1,00,000



towards loss of care and guidance for minor children. The head relating to loss of care and minor children does not exist.

Though Rajesh [Rajesh v. Rajbir Singh, (2013) 9 SCC 54] refers to [Santosh Devi \[Santosh Devi v. National Insurance Co. Ltd., \(2012\) 6 SCC 421\]](#), it does not seem to follow the same. The conventional and traditional heads, needless to say, cannot be determined on percentage basis because that would not be an acceptable criterion. Unlike determination of income, the said heads have to be quantified. Any quantification must have a reasonable foundation. There can be no dispute over the fact that price index, fall in bank interest, escalation of rates in many a field have to be noticed. The court cannot remain oblivious to the same. There has been a thumb rule in this aspect. Otherwise, there will be extreme difficulty in determination of the same and unless the thumb rule is applied, there will be immense variation lacking any kind of consistency as a consequence of which, the orders passed by the tribunals and courts are likely to be unguided. Therefore, we think it seemly to fix reasonable sums. It seems to us that 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 principle of revisiting the said heads is an acceptable principle. But the revisit should not be fact-centric or quantum-centric. We think that it would be condign that the amount that we have quantified should be enhanced on percentage basis in every three years and the enhancement should be at the rate of 10% in a span of three years. We are disposed to hold so because that will bring in consistency in respect of those heads.

23. There can be no quarrel with the binding nature of [Pranay Sethi \(supra\)](#). Judicial discipline demands that a Constitution Bench decision must prevail over a judgment of a Bench of lesser strength. Accordingly, this Court is constrained to follow the law declared therein.

24. That said, it is difficult to ignore the conceptual tension that underlies this exclusion. The head of “future prospects” itself is a



creation of judicial interpretation, evolved to respond to socio-economic realities and the legitimate expectations of dependents. If the law is capable of recognising anticipated economic progression as a valid loss, it is not too clear why emotional deprivation manifested in loss of love and affection must be viewed as an impermissible head, especially when Chapter XII of the Act is a beneficial piece of legislation meant to help people in distress arising out of road accidents.

25. The concern expressed in [Pranay Sethi](#) (supra) was primarily one of consistency and avoidance of unguided discretion. However, consistency, though desirable, cannot be elevated to a point where it eclipses the core objective of awarding “just compensation”. The law must remain responsive to lived human realities, especially in cases involving the sudden rupture of familial bonds.

26. It is in this context that the subsequent decision of this Court in [Magma General Insurance Co. Ltd. v. Nanu Ram](#)¹⁷ assumes significance. This Court expanded the ambit of “consortium” to include parental and filial consortium, implicitly acknowledging the emotional and relational loss suffered by children and parents alike. (2018) 18 SCC 130 This doctrinal expansion suggests that the distinction between “consortium” and “loss of love and affection” may be one of form rather than substance. The coordinate Bench ruled as follows:

21. A Constitution Bench of this Court in [Pranay Sethi \[National Insurance Co. Ltd. v. Pranay Sethi\]](#), (2017) 16 SCC 680] 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: [Rajesh v. Rajbir Singh, (2013) 9 SCC 54].

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, cooperation, affection, and aid of the other in every conjugal relation”. [Black's Law Dictionary (5th Edn., 1979).] 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 recognised 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 [Rajasthan High Court in [Jagmala Ram v. Sohi Ram](#), 2017 SCC OnLine Raj 3848; Uttarakhand High Court in [Rita Rana v. Pradeep Kumar](#), 2013 SCC OnLine Utt 2435;



Karnataka High Court in [Lakshman v. Susheela Chand Choudhary](#), 1996 SCC OnLine Kar 74]. 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](#). 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.

27. Interestingly, we find from paragraph 25 of [Magma General Insurance](#) (supra) that apart from Rs. 80,000/- awarded on account of filial consortium, this Court awarded Rs. 1,00,000/- on account of loss and affection in addition.

28. More recently, in the case of [United India Insurance Co. Ltd. v.](#)

[Satinder Kaur](#)¹⁸, a three-Judge Bench of this Court harmonised the principles [laid down in](#) [Pranay Sethi](#) (supra) and [Magma General Insurance](#) (supra) to ensure uniformity in the award of compensation under conventional heads. Reaffirming the binding nature of [Pranay Sethi](#) (supra), this Court held that compensation in death cases is confined to three conventional heads, i.e., loss of estate, loss of consortium and funeral expenses. At the same time, drawing upon [Magma General Insurance](#) (supra), this Court clarified that consortium is a compendious concept encompassing spousal, parental and filial consortium. It was further held that loss of love and affection is subsumed within loss of consortium and cannot be awarded as a separate head. This Court held as follows:

(2021) 11 SC 780

34. At this stage, we consider it necessary to provide uniformity with respect to the grant of consortium, and loss of love and affection.

Several Tribunals and the High Courts have been awarding compensation for both loss of consortium and loss of love and affection. The Constitution Bench in [Pranay Sethi \[National Insurance Co. Ltd. v. Pranay Sethi\]](#), (2017) 16 SCC 680], has



recognised only three conventional heads under which compensation can be awarded viz. loss of estate, loss of consortium and funeral expenses. In Magma General [Magma General Insurance Co. Ltd. v. Nanu Ram], (2018) 18 SCC 130], this Court gave a comprehensive interpretation to consortium to include spousal consortium, parental consortium, as well as filial consortium. Loss of love and affection is comprehended in loss of consortium.

35. The Tribunals and the High Courts are directed to award compensation for loss of consortium, which is a legitimate conventional head. There is no justification to award compensation towards loss of love and affection as a separate head.

29. Consistent with the aforesaid position but notwithstanding the reservations noted earlier, this Court is bound by the law declared by the Constitution Bench in Pranay Sethi (supra), which does not countenance “loss of love and affection” as a distinct head of compensation. As subsequently clarified in Satinder Kaur (supra), referring to both Pranay Sethi (supra) and Magma General Insurance (supra), the non-pecuniary loss arising from deprivation of love and affection is comprehended within the broader head of “consortium”. Consequently, no separate award under the head of loss of love and affection is warranted..”

23. In view of the aforesaid authoritative pronouncement of the Hon’ble Supreme Court, the award of compensation granted by the learned Tribunal under the separate head of “loss of love and affection” cannot be sustained in law. Accordingly, the amount awarded by the Tribunal under the said head is liable to be deducted from the total compensation.

24. So far as the contention raised by the appellant–Insurance Company that the learned Tribunal erred in adding 50% towards future prospects instead of 40% is concerned, the said submission deserves acceptance.

25. The Hon’ble Supreme Court in ***National Insurance Company Ltd. v.***



cases where the deceased was below the age of 40 years and was not in permanent employment, the permissible addition towards future prospects is 40% of the established income. In the present case, the deceased was working as a truck driver and was not holding a permanent salaried post. Moreover, the age of the deceased at the time of the accident was 32 years.

26. In view of the law laid down in *Pranay Sethi’s case*, the appropriate addition towards future prospects in the present case would be 40% of the established income and not 50% as applied by the learned Tribunal. Therefore, to that extent, the award passed by the learned Tribunal requires modification.

27. Consequently, the compensation awarded by the learned Tribunal requires to be recalculated and the same is calculated as under:-

<i>Sr. No.</i>	<i>Heads</i>	<i>Compensation Awarded</i>
1	Monthly Income	Rs.8000/-
2	Future prospects @ 40%	Rs.3200/- (40% of 8000)
3	Deduction towards personal expenditure 1/4th	Rs.2800/- (11200X 1/4th)
4.	Total Income	Rs.8400/-(11200-2800)
4	Multiplier	16
5	Annual Dependency	Rs.16,12,800/- (8400X12X16)
	Medical Expenses	Rs.3,17,401/-
6	Loss of Estate	Rs.15,000/-
7	Funeral Expenses	Rs.15,000/-
8	Loss of Consortium Spousal : Rs. 40,000/-x1 Filial : Rs. 40,000/-x1 Parental : Rs. 40,000/-x2	Rs.1,60,000/-
	Total Compensation	Rs.21,20,201/-



FAO-5448-2017 (O&M)

18

28. So far as the interest part is concerned, as held by Hon'ble Supreme Court in *Dara Singh @ Dhara Banjara Vs. Shyam Singh Varma* 2019 ACJ 3176 and *R.Valli and Others VS. Tamil Nadu State Transport Corporation (2022) 5 Supreme Court Cases 107*, the claimants/respondent Nos. 1 to 4 are granted the interest @ 9% per annum on the above mentioned amount from the date of filing of claim petition till the date of its realization.

29. It is further reveals from case file that vide order dated 03.10.2017, Co-ordinate Bench of this Court has stayed payment beyond Rs.20,00,000/-.

30. Consequently, respondent Nos. 1 to 4—claimants are held entitled to a total compensation of ₹21,20,201/- along with interest @ 9% per annum from the date of filing of the claim petition till realization.

31. Accordingly, the appellant—Insurance Company is directed to deposit the amount of compensation as awarded by this Court after adjusting the amount, if any, already paid to the respondent Nos. 1 to 4—claimants, before the Tribunal within a period of two months from the date of receipt of certified copy of this judgment. Upon such deposit, the learned Tribunal shall release the amount to the respondent Nos. 1 to 4—claimants as per ratio settled in award dated 24.01.2017. The claimants/ respondent Nos. 1 to 4 are directed to furnish their bank account details to the Tribunal.

32. Accordingly, the appeal is partly allowed and award dated 24.01.2017 is modified to the above extent.

33. Pending applications, if any, also stand disposed of.

(SUDEEPTI SHARMA)
JUDGE

10.03.2026

Gaurav Arora

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