



FAO NO.16275 OF 2018 (O&M)

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

FAO No.16275 of 2018 (O&M)

ANGURI DEVI

...Appellant

Vs

JAN MOHAMMAD AND ORS.

...Respondents

1	The date when the judgment was reserved	24.04.2026
2	The date when the judgment is pronounced	02.06.2026
3	The date when the judgment is uploaded on the website	02.06.2026
4	Whether only operative part of the judgment is pronounced or whether the full judgment is pronounced	Full
5	The delay, if any, of the pronouncement of full judgment, and reasons thereof.	Not applicable

CORAM: *HON'BLE MR. JUSTICE HARKESH MANUJA*

Present: None for the appellant.

Mr. Paul S. Saini, Advocate
for respondent No.3-Insurance Company.

HARKESH MANUJA, J.

1. The present appeal has been preferred by the appellant/claimant under Section 173 of the Motor Vehicles Act, 1988, challenging the award dated 09.07.2018 passed by the learned Motor Accident Claims Tribunal, Sonipat (for short, "the Tribunal"), whereby compensation to the tune Rs. 12,39,600/- along with interest @ 7.5% per annum was awarded on account of death of Jai Bhagwan in a motor vehicular accident dated 28.03.2017.

2. As sole issue for determination in the present appeal is confined to quantum of compensation awarded by the Tribunal, a detailed narration of facts of the case is not reproduced herein for the sake of brevity.



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ARGUMENTS ON BEHALF OF LEARNED COUNSEL FOR THE APPELLANT/CLAIMANT.

3. It is pleaded in the appeal that the income of the deceased was assessed on the lower side. It is further pleaded that the deceased was earning ₹23,000/- per month as helper-cum-agriculturist. It was further averred that no amount was awarded towards loss of consortium, medical expenses, loss of expectation of life and other conventional heads. The appellant also challenged the rate of interest awarded by the learned Tribunal as being inadequate and contrary to the settled principles of law, therefore, prayed that the award of the Tribunal be suitably modified in accordance with law.

ARGUMENTS ON BEHALF OF LEARNED COUNSEL FOR RESPONDENT No.3/INSURANCE COMPANY.

4. Per contra, learned counsel representing respondent No. 3/Insurance Company, neither refuted the factum of accident nor even the negligence of the offending vehicle, however submitted that in the facts and circumstances of the present case, the compensation assessed by the learned Tribunal called for no interference.

DISCUSSION AND REASONING

5. I have heard learned counsel for the respondent and perused the paper-book of the case.

QUESTION OF INCOME ASSESSED

6. The appellant/claimant asserted that the deceased was earning ₹23,000/- per month from employment as a helper and agricultural activities. However, neither any salary certificate nor the testimony of the employer nor any



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documentary evidence regarding agricultural income was produced on record. It is well settled that where there is no cogent and reliable evidence regarding the actual earnings of the deceased, the Tribunal is justified in assessing the income on the basis of minimum wages. However, this Court finds that while determining the income of the deceased, the learned Tribunal treated him as an unskilled labourer and assessed his income at ₹8,000/- per month. The evidence on record shows that the deceased was working as a helper on a commercial vehicle and was also engaged in agricultural activities which cannot be equated with unskilled manual labour, as cultivation of land requires experience, knowledge and specialized skills relating to sowing, irrigation, crop management and harvesting. An agriculturist, therefore, falls within the category of a skilled worker for the purpose of assessing notional income.

6.1 In these circumstances, although the claimants have failed to prove the specific income of ₹23,000/- per month as pleaded, the assessment made by the Tribunal on the basis of minimum wages payable to an unskilled labourer cannot be sustained. Keeping in view the nature of avocation of the deceased, his engagement in agricultural work and the prevailing rates of minimum wages applicable to skilled workers at the relevant time, this Court deems it appropriate to assess the monthly income of the deceased at ₹9,500/- per month for the purpose of computation of compensation.

QUESTION OF FUTURE PROSPECTS, MULTIPLIER AND DEDUCTION TOWARDS PERSONAL EXPENSES

7. The deceased was aged 24 years and self-employed, thus addition towards future prospects to the extent of 50% is liable to be granted in view of judgment of Hon'ble Supreme Court in **"National Insurance Co. Ltd. v. Pranay**



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Sethi,” reported as 2017 (16) SCC 680. Since, the deceased was unmarried, deduction of 50% towards personal and living expenses is in consonance with the law laid down in “Sarla Verma v. Delhi Transport Corporation,” reported as 2009 (3) RCR (Civil) 77. However, the said rule is not inflexible and is subject to the facts and circumstances of each case. In the present matter, the evidence on record reflects that the mother of the deceased was wholly dependent upon him for her maintenance. Further, the brothers of the deceased have been impleaded as proforma respondents, one of whom was only 22 years of age at the relevant time and was also dependent upon the earnings of the deceased. In the Indian social milieu, an unmarried earning son ordinarily contributes a substantial portion of his income towards the upkeep and welfare of his family members, particularly his widowed mother and younger siblings. Thus, it would be unrealistic to presume that the deceased was spending as much as 50% of his earnings exclusively upon himself. Rather, the circumstances indicate that a larger share of his income was being utilized to discharge his familial and filial obligations towards the dependants. Accordingly, this Court is of the considered view that a deduction of 40% towards the personal and living expenses of the deceased would be just, fair and reasonable, while treating the remaining 60% of the income as contribution towards the family for the purpose of assessing loss of dependency. The multiplier of ‘18’ applied by the Tribunal is in consonance with law laid down in Sarla Verma’s case (supra) and does not call for interference.

QUESTION OF COMPENSATION UNDER CONVENTIONAL HEADS

8. Furthermore, in view of the judgment of the Hon’ble Apex Court in Sarla Verma’s case (supra), Pranay Sethi’s case (supra) and “United India Insurance Co.Ltd. vs. Satinder Kaur”, reported as (2021) 11 SCC 780,



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compensation awarded under conventional heads is also required to be assessed accordingly. Appellant/claimant is thus, held entitled for Rs. 18,000/- as compensation under funeral head and Rs. 18,000/- towards loss of estate. Loss of Consortium is assessed to the tune of Rs. 1,44,000/- (48,000 x 3) as appellant/claimant and proforma respondents being the mother and siblings of deceased are entitled to filial and sibling consortium.

CONCLUSION

9. In view of the discussion made herein above, the appellant/claimant is held entitled for the grant of compensation in the following manner:-

S.No.	Nature	Amount (in Rs.)
1.	Annual Income of deceased (9500 x 12)	1,14,000/-
2.	Add 50% future prospects	57,000/-
3.	Total Income (Rs. 1,14,000+ Rs. 57,000)	1,71,000/-
4.	Deduction (40%)	68,400/-
5.	Net Income (Rs. 1,71,000 – Rs. 68,400)	1,02,600/-
6.	Loss of Income after applying multiplier of 18 as per the age of 24 years (Rs. 1,02,600 x 18)	18,46,800/-
7.	Loss of Consortium	1,44,000/-
8.	Funeral expenses	18,000/-
9.	Loss of estate	18,000/-
	Total compensation	20,26,800/-
	Amount Awarded by the Tribunal	12,39,600/-
	Enhanced Amount	7,87,200/-

10. The grant of interest @ 7.5% per annum is not equitable and just in view of the observations made by the Hon'ble Supreme Court in "**Smt. Supe Dei and others vs. National Insurance Company Limited and other**", reported as



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(2009) (4) SCC 513 approved in a subsequent judgment titled as “Puttamma and others vs. K.L. Narayana Reddy and another, 2014 (1) RCR (Civil) 443, thus, the interest is enhanced to 9% per annum on the amount of compensation re-assessed from the date of institution of claim petition till its realization. In case the said amount is not paid within three months, the same shall be payable thereafter along with 12% interest from the expiry of period of three months from today. Needless to mention here that the amount of compensation already paid to the claimant shall be deducted from the enhanced compensation.

11. In view of the foregoing discussion, the present appeal preferred at the instance of appellant/claimant stands allowed. Pending miscellaneous application(s), if any, shall also stand disposed of. Copy of this order be conveyed to the appellant at the address given in the memo of parties.

(HARKESH MANUJA)
JUDGE

June 02, 2026

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