



2025 INSC 1093

Non-reportable

**IN THE SUPREME COURT OF INDIA
CIVIL APPELLATE JURISDICTION**

CIVIL APPEAL NO. 11425 OF 2025
(@ Special Leave Petition (Civil) No. 1733 of 2021)

Smt. Manjula & Ors.

...Appellants

Versus

**The Branch Manager
Oriental Insurance Company Ltd.
Bijapur & Anr.**

...Respondents

J U D G M E N T

K. VINOD CHANDRAN, J.

Four friends from Bijapur were on a pilgrimage to Shirdi when the car in which they were travelling, driven by one of them, was hit by a goods' lorry driven rashly and negligently coming from the opposite direction on the NH-13 Bijapur-Horti Road. All the persons travelling in the car died on the spot. Four claim petitions were filed

before the Tribunal and four appeals were filed seeking enhancement of compensation, to which appeals cross objections were filed by the Insurance Company. The appellate order which is impugned in the present appeal by the claimants in one of the claim petitions seek enhancement of income and a better award than that granted by the Tribunal, since the High Court reduced the quantum of income without any reason.

2. There is absolutely no dispute with respect to the negligence being mulcted on the driver of the lorry, which is also covered by a valid insurance policy. The challenge is only to the quantum and though in the judgment of the Tribunal from which the present appeal arises, the deceased-husband of the first claimant was found to have a monthly income of Rs.6,000/-, without any reasoning and without reliance to any material, the High Court reduced it to Rs.5,500/-. The total amount was enhanced, since addition was made to the future

prospects in tune with the Constitution Bench judgment in ***National Insurance Co. Ltd. v. Pranay Sethi***¹.

3. The dispute is raised on the income determined which according to the learned Counsel for the appellants; vehemently asserted before us, was Rs.2,25,000/-. The deceased was a multifaceted personality having several irons in the fire; proprietor of a medical shop, partnership in a pharmaceutical distributorship and Director of a Cooperative Bank. The learned Counsel appearing for the Insurance Company, however, pointed out that none of these tall claims were substantiated.

4. As we noticed, the High Court has not referred to any material in fixing the monthly income. The trial court on the other hand, in the subject claim petition has referred to the various documents produced by the claimants. It has been proved that the deceased had a

¹ (2017) 16 SCC 680

diploma in Pharmacy. The claim of running a medical shop was not proved since his licence was cancelled on 11.02.2008 while the accident took place on 25.07.2010. The distributorship run through a partnership was proved, but not the income since the various documents produced were found by the Tribunal to be not authenticated; nor were the alleged partners examined. The claim of Directorship in a Cooperative Bank and monthly sitting fees obtained, was also not fully substantiated. It was in this situation that the Tribunal adopted a monthly income of Rs. 6,000/- which the High Court reduced, without any basis, to Rs.5,500/-.

5. We cannot but notice that this Court has in ***Ramachandrappa v. Royal Sundaram Alliance Insurance Co. Ltd.***² found that in the year 2004 even a *Coolie* would be earning an amount of Rs.4,500/- in a month. If incremental increase is made of Rs.500/- per

² (2011) 13 SCC 236

year, it can be safely assumed that a *Coolie* in the year 2010, when the subject accident occurred, would have obtained an income of Rs.7,500/-. The deceased herein has been proved to have a diploma in Pharmacy though the exact remuneration is not substantiated. He is found to be in a partnership of pharmaceutical distributorship and associated with a Cooperative Bank. The deceased was also running a medical shop, though prior to the date of the accident the licence stood cancelled. Considering the overall circumstances, it can be safely assumed that the deceased would have obtained a monthly remuneration of Rs.12,000/- to look after the family of five comprising of himself, his wife, minor daughter and two parents.

6. The multiplier applied of 14 and the 25% future prospects adopted by the High Court, in the circumstance of the deceased having been 43 years old and not in a regular employment is perfectly in order

with the decision in ***Pranay Sethi***¹. The 1/4th deduction made also is correct since his family consisted of 4 dependants. The loss of estate and funeral expenses has to be at Rs.15,000/- each as per the Constitution Bench decision. Insofar as the loss of consortium not only the wife as per ***New India Assurance Company v. Somwati and Ors.***³ the children and the parents also are entitled at the rate of Rs.40,000/- each. The award hence shall be as per the tabulated list below:-

S. No.	Particulars	Amount
1.	Loss of income @ Rs.12,000/- p.a. (12,000 x 12 x $\frac{3}{4}$ x 14 x 125%)	Rs.18,90,000/-
2.	Funeral expenses	Rs. 15,000/-
3.	Loss of estate	Rs. 15,000/-
4.	Loss of consortium @ Rs.40,000/- (Rs.40,000/- x 4)	Rs. 1,60,000/-
	Total	Rs.20,80,000/-

³ (2020) 9 SCC 644

7. The award amount shall be paid after deducting what is already paid with interest @ 6% from the date of application as determined and apportioned by the Tribunal within a period of 3 months from today.

8. The appeal stands allowed with the above directions.

9. Pending application, if any, shall stand disposed of.

..... J.
(K. VINOD CHANDRAN)

..... J.
(N.V. ANJARIA)

**NEW DELHI;
SEPTEMBER 9, 2025.**