IN THE HIGH COURT OF PUNJAB & HARYANA
AT CHANDIGARH

FAO No.10481 of 2014
Date of decision : 06.04.2016

Pepsu Road Transport Corporation through its General Manager/ Managing Director

......Appellant

Versus

Vandana Walia and others

...Respondents

CORAM : HON'BLE MR. JUSTICE DARSHAN SINGH

1. *Whether Reporters of the local papers may be allowed to see the judgment ? Yes*
2. *To be referred to the Reporters or not ? Yes*
3. *Whether the judgment should be reported in the Digest? Yes*

Present: Mr. Karan Singla, Advocate for appellant.

Mr. Parminder Singh, Advocate for respondents No.1 to 3.

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DARSHAN SINGH, J.

The present appeal has been preferred by Pepsu Road Transport Corporation, the owner of the vehicle, against the award dated 24.10.2013 passed by the learned Motor Accidents Claims Tribunal, Patiala (hereinafter called the 'Tribunal') whereby respondents No.1 to 3-claimants have been awarded the compensation to the tune of Rs.46,50,000/- on account of the death of Parveen Kumar in the motor vehicular accident which took place on 30.06.2012.

2. In the present appeal, the appellant-owner of the vehicle

has challenged the quantum of compensation.

3. Learned counsel for the appellant contended that the learned Tribunal has deducted only Rs.2000/- per month from the salary of the deceased towards income tax. He contended that the learned Tribunal should have been deducted 10% of the salary of the deceased *i.e.* Rs.2700/- per month. Thus, he contended that the amount of compensation computed by the learned Tribunal is exorbitant.

4. On the other hand, Mr. Parminder Singh, Advocate, learned counsel for the respondents-claimants contended that the income tax is computed after deducting the exempted income. He contended that this accident has taken place in the year 2012. At that time the income upto Rs.1,80,000/- was not taxable. The learned Tribunal has correctly deducted Rs.2000/- per month towards income tax.

5. I have duly considered the aforesaid contentions.

6. Learned counsel for the appellant has not been able to dispute that the income tax is computed only after deducting the non-taxable income of the assessee. So, 10% cut cannot be applied on whole of the salary of the lower paid employees. The position may be different in case of highly paid employees and the persons belonging to the higher income group. Thus, it cannot be stated that the income tax deducted by the learned Tribunal at the rate of Rs.2000/- per month from the salary of the deceased was on the lower side. Consequently, no interference is called for in the amount of compensation computed by the learned Tribunal.

7. Resultantly, the present appeal being without any merits is hereby dismissed.

06.04.2016 **(DARSHAN SINGH)**
sunil yadav **JUDGE**