IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH

210 FAO No.258 of 2014 (O&M)

Date of decision: 18.09.2018

SHRI RAM GENERAL INSURANCE COMPANY LTD ... Appellant

Versus

KAMLA & ORS ... Respondents

CORAM: HON'BLE MRS. JUSTICE REKHA MITTAL

Present : Mr. Arun Sharma, Advocate for the appellant.

Mr. KBS Mann, Advocate for respondents No.1 to 6.

Mr. D.D. Bansal, Advocate for respondents No.7 and 8.

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REKHA MITTAL, J. (Oral)

CM-885-CII-2014

Heard.

Allowed as prayed for. Delay of 70 days in filing the appeal stands condoned.

Main Case

The present appeal directs challenge against award dated 17.07.2013 passed by the Motor Accidents Claims Tribunal, Sri Muktsar Sahib whereby compensation has been assessed on account of death of Arvind Kumar in a motor vehicular accident that took place on 30.03.2012.

The Tribunal has awarded compensation of Rs.45,76,000/-, detailed hereunder:-

1. Monthly income of the deceased	Rs.36,000/-
2. Multiplier	14
3. Deduction for personal expenses	$1/4^{th}$
4. Loss of dependency	Rs.45,36,000/-
5. Expenses on funeral	Rs.10,000/-
6. Loss of estate	Rs.10,000/-
7. Loss of love and affection	Rs.10,000/-
8. Loss of consortium	Rs.10,000/-

The sole submission made by counsel for the appellant is that the Tribunal has not deducted liability to pay income tax.

Counsel representing the claimants would argue that compensation may be assessed by allowing addition in income for future prospects @ 30% as the deceased was a government employee more than 40 years of age.

The claimants examined Rajinderpal Kaur, Supervisor from the office of CDPO, Abohar-II to prove service book records and salary of the deceased. As per statement of the witness, deceased was drawing salary of Rs.30,133/- per month and the annual salary is Rs.3,61,596/-. After deducting income tax of Rs.18,160/-, net salary of the deceased for computing loss of dependency is Rs.3,43,436/-. Claimants shall be entitled to increase in income for future prospects @ 30% as the deceased was more than 40 years of age at the time of death. Deduction for personal expenses and multiplier adopted by the Tribunal are correct and affirmed. In this manner, loss of dependency is calculated at Rs.46,87,901/- [(Rs.3,43,436 x 14) + (30% future prospects) – (1/4th deduction for personal expenses)].

Under conventional heads, compensation allowed by the Tribunal is modified to the effect that claimants shall be entitled to Rs.70,000/-, detailed hereunder:-

1. Loss of consortium	Rs.40,000/-
2. Loss of estate	Rs.15,000/-
3. Funeral expenses	Rs.15,000/-

Total compensation is Rs.47,57,901/- and the additional amount is Rs.1,81,901/- (47,57,901 - 45,76,000), payable with interest @7.5% per annum from the date of petition till realization, to Manju Rani minor daughter of the deceased, to be invested in fixed deposit till she attains the age of majority or for a period of three years, whichever is later. All other terms and conditions of the award shall remain intact.

The appeal is partly allowed in the aforesaid terms.

18.09.2018 **(REKHA MITTAL)**

ashok **JUDGE**

Whether speaking/reasoned: Yes / No

Whether reportable: Yes / No