

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

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FAO-7697-2014 (O&M)
Date of decision: 16.04.2018

REKHA & ORS

... Appellants

Versus

SURENDER & ORS

... Respondents

CORAM: HON'BLE MRS. JUSTICE REKHA MITTAL

Present : Mr. Vijay Sangwan, Advocate for the appellants.

Mr. Subhash Goyal, Advocate for the insurance company.

REKHA MITTAL, J. (Oral)

The claimants are in appeal seeking enhancement of compensation on account of death of Karan Singh in a motor vehicular accident that took place on 05.05.2011.

The Tribunal has awarded compensation of Rs.8,40,000/-, detailed hereunder:-

1. Monthly income of the deceased	Rs.8000/-
2. Multiplier	10
3. Deduction for personal expenses	1/4 th
4. Loss of dependency	Rs.7,20,000/-
5. Expenses on funeral and transportation	Rs.20,000/-
6. Loss of consortium	Rs.1,00,000/-

Counsel for the claimants would argue that the Tribunal has not allowed benefit of increase in income for future prospects. The Tribunal has wrongly applied multiplier of 10 despite the fact that deceased has been held to be less than 40 years of age.

Counsel representing the insurance company would urge that compensation awarded under conventional heads needs to be restricted to Rs.70,000/- in the light of latest judgment of Hon'ble the Supreme Court

National Insurance Company Limited Vs. Pranay Sethi and Ors., 2017 SCC 1270.

The claimants examined Tejpal PW1 to prove that deceased was working with Swami Vivekanand Senior Secondary School, Mehrampur at salary of Rs.8000/- per month. As the deceased was 40 years of age, claimants shall be entitled to benefit of future prospects @ 40%. Deduction for personal expenses allowed by the Tribunal is affirmed.

The Tribunal has applied multiplier of 10 despite noticing that age of the deceased cannot be assessed less than 40 years. As the deceased was in the age bracket of 36 to 40 years, admissible multiplier would be 15. In this manner, loss of dependency comes to Rs.15,12,000/- (Rs.8000 x 12 x 15) + (40% future prospects) – (1/4th deduction for personal expenses).

Under conventional heads, compensation awarded 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.15,82,000/- and the additional amount is Rs.7,42,000/- (15,82,000 – 8,40,000), payable with interest @ 7.5% per annum from the date of petition till realization to minor children of the deceased in equal ratio, to be invested in fixed deposits payable on their attaining age of majority or for a period of three years, whichever is later. The interest accruing on fixed deposits shall be payable to mother of the minors for meeting expenses on their education and living.

The appeal is partly allowed in the aforesaid terms.

16.04.2018

ashok

(REKHA MITTAL)
JUDGE

Whether speaking/reasoned:
Whether reportable:

Yes / No
Yes / No