

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

-.-

FAO 8349 of 2017 (O&M)  
Date of decision: 23.02.2018

*National Insurance Co. Limited*

..... *Appellant*

*Versus*

*Harwinder Kaur and others*

.....*Respondents*

**Coram: Hon'ble Mrs. Justice Rekha Mittal**

-.-

Present: Mr. Sat Pal Dhamija, Advocate  
for the appellant-insurance company

-.-

**Rekha Mittal, J. (Oral)**

The present appeal directs challenge against award dated 28.08.2017 passed by the Motor Accidents Claims Tribunal, Chandigarh (hereinafter to be referred as 'the Tribunal') whereby compensation has been awarded on account of death of Nirmal Singh in a motor vehicular accident that took place on 14.10.2016.

Counsel for the appellants would contend that the claimants are entitled to benefit of increase in income for future prospects at the rate of 40% in place of 50%. Further argued that the Tribunal has awarded Rs.3,25,000.00 under conventional heads but the same is required to be restricted to Rs.70,000.00 in the light of judgment of Hon'ble the Supreme Court *National Insurance Company Limited v. Pranay Sethi and others, 2017 SC 1270*.

The Tribunal has awarded compensation of Rs.19,71,620.00, detailed hereunder:-

|                                |             |
|--------------------------------|-------------|
| Monthly income of the deceased | Rs.7,175.00 |
| Multiplier                     | 17          |

|                                                     |                 |
|-----------------------------------------------------|-----------------|
| Deduction for personal expenses                     | 1/4             |
| Benefit of increase in income for future prospects  | 50%             |
| Loss of dependency                                  | Rs.16,46,620.00 |
| Loss of consortium to widow                         | Rs.1,00,000.00  |
| Loss of love and affection to claimants No. 2 and 3 | Rs.2,00,000.00  |
| Funeral expenses                                    | Rs.25,000.00    |

Contentions raised by counsel for the appellant are meritorious in the light of enunciation laid down in *Pranay Sethi's* case (supra). The claimants shall be entitled to benefit of increase in income for future prospects at the rate of 40% and compensation under conventional heads to the tune of Rs.70,000.00. Accordingly, loss of dependency comes to Rs.15,36,885.00(Rs.14,63,700.00 *i.e.* 7,175.00 x 12 x 17 + Rs.5,85,480.00 (40% future prospects) – Rs.5,12,295.00 (1/4<sup>th</sup> deduction). Total compensation is Rs.16,06,885.00 (Rs.15,36,885.00 + Rs.70,000.00). The compensation awarded by the Tribunal is reduced to the extent of Rs.3,64,735.00 (Rs.19,71,620.00 – 16,06,885.00).

The appeal is partly allowed in the aforesaid terms.

Before parting with the order, it is pertinent to mention that compensation has been reduced to the extent of Rs.3,64,735.00 without notice to the claimants. However, the claimants would be at liberty to file an application before this Court if they have any grievance to express. It is clarified that any observations made herein before shall not cause prejudice to the claimants if they prefer an appeal for enhancement.

(Rekha Mittal)  
Judge

23.02.2018  
mohan bimbura

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