IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH

218 FAO No.7050 of 2016 (O&M)

Date of decision: 26.09.2019

RANJIT KAUR & ORS ... Appellants

Versus

GURWINDER SINGH & ORS ... Respondents

CORAM: HON'BLE MRS. JUSTICE REKHA MITTAL

Present : Mr. Rajbir Singh, Advocate for the appellants.
Mr. Manav Satija, Advocate for
Mr. Ashwani Talwar, Advocate for the insurance company.

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REKHA MITTAL, J. (Oral)

CM-24265-CII-2016

Heard.

Allowed as prayed for. Delay of 57 days in filing the appeal stands condoned.

Main Case

The claimants are in appeal seeking enhancement of compensation on account of death of Nazar Singh in a motor vehicular accident that took place on 28.05.2014.

The Tribunal awarded Rs.46,62,784/-, detailed hereunder:-

Monthly income of the deceased	Rs.51,293/-
Deduction of income tax	Rs.2,000/- per month
Multiplier	11
Deduction for personal expenses	1/3rd
Loss of dependency	Rs.43,37,784/-
Expenses on funeral	Rs.25,000/-
Loss of love and affection to claimants No.2 and 3	Rs.2,00,000/- (Rs.1,00,000/- each)
Loss of consortium	Rs.1,00,000/-

The sole submission made by counsel for the appellants is that claimants may be allowed benefit of addition in income for future prospects @ 15%. Counsel for the appellants would inform that recovery rights given in favour of the insurance company have been set aside by the Tribunal vide order dated 05.02.2019.

Counsel representing the insurance company, on the contrary, would argue that compensation allowed under conventional heads may be modified in the light of judgment of Hon'ble the Supreme Court **National Insurance Company Limited Vs. Pranay Sethi and Ors., 2017 SCC 1270**.

The gross monthly salary of the deceased is Rs.51,293/- and annual salary is Rs.6,15,516/-. After deducting income tax (Rs.49,546/-), net annual income is Rs.5,65,970/-. Claimants shall be entitle to addition in income for future prospects @ 15%. Multiplier and deduction for personal expenses applied by the Tribunal are correct and affirmed. In this manner, loss of dependency is calculated at Rs.47,73,013/- [(5,65,970 x 11) + (15% future prospects) – (1/3rd deduction for personal expenses)].

Under conventional heads, compensation allowed by the Tribunal is modified to the effect that claimants shall be entitle 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.48,43,013/- and additional amount is Rs.1,80,229/- (48,43,013 - 46,62,784) payable with interest @ 7.5% per annum from the date of petition till realization, to widow of the deceased, to be invested in fixed deposit for a period of two years.

The appeal is partly allowed in the aforesaid terms.

26.09.2019 **(REKHA MITTAL)**
ashok **JUDGE**

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