

FAO-1535-2024

2024:PHHC:055155

**IN THE HIGH COURT OF PUNJAB AND HARYANA AT
CHANDIGARH****FAO-1535-2024 (O&M)****Reserved on : 02.04.2024****Pronounced on : 24.04.2024**

THE ORIENTAL INSURANCE COMPANY LTD.

....Appellant

VERSUS

BALESHWARI AND OTHERS

....Respondents

CORAM : HON'BLE MRS. JUSTICE ALKA SARIN

Present : Mr. Rajiv Joshi, Advocate for the appellant.

ALKA SARIN, J.

1. The only challenge in the present appeal to the award dated 09.01.2024 passed by the Motor Accident Claims Tribunal, Chandigarh is on the ground that a split multiplier method ought to have been applied by the Tribunal while awarding the compensation to the claimants.

2. The facts of the case have not been disputed by learned counsel for the appellant-Insurance Company and hence the same are not being reproduced herein for the sake of brevity.

3. Learned counsel for the appellant-Insurance Company has contended that since the date of birth of the deceased, namely, Ragbir @ Ragbir Singh was 15.02.1966 and he was to retire at the age of 58 years on 28.02.2024, the deceased was only left with about one and a half year of service from the date of the accident i.e. 15.10.2022 and hence while assessing the compensation a split multiplier method should have been applied by the Tribunal. It is further the contention that had the deceased

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been alive he would have got the monthly pension and hence the Tribunal has erred in not deducting the same from the monthly income of the deceased. In support of his arguments, learned counsel for the appellant-Insurance Company has relied upon the judgment passed by a Coordinate Bench of this Court in **Chameli Mittal & Anr. vs. M/s Chahal Bus Service & Ors.** [FAO-2563-2008 decided on 18.12.2023].

4. Heard.

5. The only grievance of the appellant-Insurance Company in the present case is that the determination of compensation ought to have been made after applying the split multiplier method as the deceased was left with about one and a half year of service as on the date of the accident. The Supreme Court in the case of **R. Valli & Ors. vs. Tamil Nadu State Transport Corporation Ltd.** [2022(1) RCR (Civil) 867] has held as under:

“11. Thus, we find that the method of determination of compensation applying two multipliers is clearly erroneous and run counter to the judgment of this Court in Pranay Sethi, affirming the judgment in Sarla Verma. Since the deceased was 54 years of age on the date of incident, therefore, the suitable multiplier would be 11 as per the judgment of this Court in Sarla Verma approved by this Court in Pranay Sethi.”

6. Further, in the case of **N. Jayasree & Ors. vs. Choramandalam MS General Insurance Company Ltd.** [2021(4) RCR (Civil) 642] the Supreme Court, after considering the judgment in **Reshma**

Kumari & Ors. vs. Madan Mohan & Anr. [(2013) 9 SCC 65] and in **K.R. Madhusudhan & Ors. vs. Administrative Officer & Anr. [(2011) 4 SCC 689]** held as under :

“28. From the above discussion it is clear that at the time of calculation of the income, the Court has to consider the actual income of the deceased and addition should be made to take into account future prospects. Further, while the evidence in a given case may indicate a different percentage of increase, standardization of the addition for future prospects should be made to avoid different yardsticks being applied or different methods of calculation being adopted. In Pranay Sethi, the Constitution Bench has directed addition of 15% of the salary in case the deceased was between the age of 50 to 60 years as a thumb rule, where a deceased had a permanent job. In view of the above, the High Court was not justified in applying split multiplier in the instant case.”

7. In view of the law settled by the Supreme Court, the judgment relied upon by the counsel for the appellant-Insurance Company would be of no avail and the only argument of the appellant-Insurance Company that compensation in the present case ought to have been determined after applying the split multiplier method cannot be accepted.

8. No other point has been argued.

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9. In view of the discussion above, the appeal being devoid of any merits is accordingly dismissed. Pending applications, if any, also stand disposed off.

24.04.2024

Aman Jain/Ankur

**(ALKA SARIN)
JUDGE**

*NOTE : Whether speaking/non-speaking: Speaking
Whether reportable: Yes/No*