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

FAO-1310-2024 (O&M)
Date of decision: 23.12.2025

Savita Devi and others

...Appellants

Versus

United India Insurance Company Limited and another

...Respondents

CORAM: HON'BLE MR. JUSTICE VIKAS BAHL

Present: Mr. Umesh Kumar Kanwar, Advocate for the appellants.

Mr. Harinder Kumar, Advocate for respondent No.1.

VIKAS BAHL, J. (ORAL)

CM-5187-CII-2024

1. This is an application filed under Section 5 of the Limitation Act for condonation of delay of 85 days in filing the appeal.

2. For the reasons stated in the application which is duly supported by an affidavit, the present application is allowed and delay of 85 days in filing the present appeal is condoned.

Main case

1. Widow, two minor children and parents of the deceased-Dinesh Kumar have filed the present appeal for enhancement of the compensation. Vide award dated 01.09.2023, the Tribunal had awarded the total compensation of Rs.36,26,800/- along with interest to the appellants on



account of death of Dinesh Kumar which had taken place in a motor vehicular accident. The only question that arises for consideration before this Court is as to whether the appellants are entitled to enhancement of compensation or not as other aspects are not being disputed.

2. Learned counsel for the appellants has submitted that in the present case, there are five claimants whereas the Tribunal had only granted an amount of Rs.40,000/- on account of loss of consortium and the present appellants are entitled to an additional amount of compensation of Rs.2,00,000/- on account of loss of consortium. It is further submitted that benefit of future prospects has not been taken into consideration whereas the deceased was 31 years of age at the time of accident, thus, they are entitled to the benefit of 40% of his salary as future prospects and in case, same is taken into consideration then an additional compensation of Rs.14,22,720/- is required to be paid to the appellants. It is further submitted that under the headings of funeral expenses and loss of estate, an amount of Rs.15,000/- each has been awarded by the Tribunal whereas the amount under the said two headings, should have been Rs.18,000/- each. It is thus, submitted that the present appellants are entitled to additional compensation of Rs.16,28,720/- and the said additional compensation should be awarded to the appellants along with interest at the rate of 9% per annum from the date of filing of the claim petition till its realisation. In support of his arguments, learned counsel for the appellants has relied upon the law laid down by the Hon'ble Supreme Court in case titled as **Sarla Verma (Smt.) and others Vs. Delhi Transport Corporation and another** reported as **(2009) 6 SCC 121, National Insurance Company Limited Vs. Pranay**



Sethi and others reported as *(2017) 16 SCC 680*, and *Magma General Insurance Company Limited Vs. Nanu Ram alias Chuhru Ram and others* reported as *(2018) 18 SCC 130*.

3. Learned counsel for respondent No.1-Insurance Company, on the other hand, has submitted that the rate of interest which is sought to be claimed by the appellants i.e., 9% per annum is highly excessive and the highest rate of interest that can be awarded on the additional amount of compensation is at best 6% per annum.

4. Learned counsel for the appellants, after taking into consideration the objection raised by learned counsel for the Insurance Company, has submitted revised chart which is reproduced hereinbelow:-

“Savita Devi & others

...Appellants

Versus

United India Insurance Company Ltd., & others ...Respondents

Date of Accident: 21.10.2020

Name of Deceased: Dinesh

Aged at the time of death: 31 years

Income of the deceased as per income tax return assessed by the learned tribunal: Rs.2,96,400/-P.A.

Deduction: 1/4th i.e. Rs.74,100/-PA

Multiplier: 16 (Rs.2,22,300x16=35,56,800/-)

Under other conventional heads: total awarded amount by the tribunal is Rs.70,000/-

Total awarded amount by the tribunal: Rs.36,26,800/-

Interest @ 7.5.

Awarded Amount is liable to be enhanced as learned tribunal has not granted future prospects and parental consortium to the other claimants i.e. parents and children.



Annual income; Rs.2,96,400/-p.a.

Future prospect; 40% i.e. Rs. 1,18,560/- p.a.

Total annual income of the deceased Rs.4,14,960/-

Deduction; 1/4th i.e. 1,03,740/-p.a.

After deduction; Annual income of the deceased Rs.3,11,220

(Rs.3,11,220x16=49,79,520)

Under conventional heads; 5 claimants (48000x5=2,40,000/-)

Funeral expenses: 18,000/-

Loss of estate; 18,000/-

Total Rs.52,55,520/-

Amount awarded by Tribunal Rs.36,26,800/-

Rs. 16,28,720/-

Plus interest @ 7.5%”

5. This Court has heard learned counsel for the parties and has perused the paper book and finds that the revised chart submitted by learned counsel for the appellants is in accordance with law and deserves to be upheld and amount claimed therein deserves to be granted to the appellants.

6. It is not in dispute that there are five claimants which includes widow, two minor children and parents of the deceased-Dinesh Kumar and thus, as per the settled law, an amount of Rs.2,40,000/- (Rs.48,000/- x 5) should have been awarded to the appellants on account of loss of consortium whereas the Tribunal has only awarded an amount of Rs.40,000/- on the said account and thus, the appellants are entitled to additional compensation of Rs.2,00,000/- on account of loss of consortium. Further, the appellants have rightly claimed the benefit of future prospects at the rate of additional 40% of the income of the deceased which benefit



had not been granted to the appellants and on account of the same, an additional compensation of Rs.14,22,720/- is required to be granted to the appellants. Amounts awarded by the Tribunal on account of funeral expenses and loss of estate are also on the lesser side, inasmuch as, on both the said aspects, an amount of Rs.18,000/- each is required to be granted to the appellants whereas the Tribunal had only granted Rs.15,000/- each and accordingly, the appellants are entitled to an additional amount of compensation of Rs.16,28,720/-. With respect to the rate of interest, this Court has been consistently awarding rate of interest at the rate of 7.5% per annum, which rate of interest is also reasonable in the present case.

7. Keeping in view the abovesaid facts and circumstances, the present appeal is partly allowed and the award dated 01.09.2023 is modified and respondent No.1 is directed to pay the additional amount of compensation to the tune of Rs.16,28,720/- to the appellants along with interest at the rate of 7.5% per annum from the date of filing of the claim petition till its realisation within a period of six weeks from today.

8. All the pending miscellaneous applications, if any, shall stand disposed of in view of the abovesaid order.

23.12.2025

Pawan

(VIKAS BAHL)
JUDGE

Whether speaking/reasoned:-

Yes/No

Whether reportable:-

Yes/No