



IN THE HIGH COURT OF PUNJAB AND HARYANA AT
CHANDIGARH

137

FAO-3322-2021 (O&M)
Date of Decision: November 18, 2025

Gurmail Singh and others
...Appellants

VERSUS

Binder Singh and others
...Respondents

CORAM: HON'BLE MRS. JUSTICE ARCHANA PURI

Present: Mr.Kamal Narula, Advocate
for the appellant.

ARCHANA PURI, J.

At this stage, report has been received from the Mediation and Conciliation Centre that the case remained non-starter.

Perusal of the paperbook reveals that till date, no formal notice has been issued. Since, the liability fastened upon the respondents is joint and several, notice is issued, at this stage, only to respondent No.3-New India Assurance Company.

Sh.Arjun Kundra, Advocate has made appearance on behalf of the insurance company and filed Power of Attorney.

As per the version of the appellants-claimants, deceased Sumit was working as Mason with Triveni Raj Industry Rice Mill and was earning Rs.16,000/- per month. Considering this amount, the compensation worked upon by learned Tribunal, in the tabular form, is herein given:-

1.	Annual income of Deceased	Rs.16000/- per month x 12 months = Rs.1,92,000/-
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2.	Future prospects 40% of Rs.1,92,000/-	Rs.1,92,000 + Rs76800 = Rs.2,68,800/-
3.	1/2 is to be deducted from the income of deceased as deceased was unmarried	Rs.,2,68,800-Rs.,1,34,400 = Rs.1,34,400/-
4.	By applying multiplier of 18 total income comes	Rs.1,34,400 x 18 = Rs.24,19,200/-
5.	Loss of Estate	Rs.15,000/-
6.	Funeral expenses	Rs.15,000/-
	Total	24,49,200/-

However, the compensation worked upon aforesaid, do call for re-computation.

Very correctly, the earnings of the deceased were taken as Rs.16000/- per month, annual whereof is Rs.1,92,000/-. Considering the age of the deceased to be 18 years, addition on the count of ‘future prospects’ has to be to the extent of 40%, which has also been correctly worked upon by learned Tribunal. As the deceased was unmarried, the deduction has been made to the extent of 50%, on the count of ‘personal expenses’. The multiplier of ‘18’ has been correctly applied by learned Tribunal and the compensation has been worked upon as Rs.24,19,200/-.

Besides the aforesaid, compensation on the counts of ‘loss of estate’ and ‘funeral expenses’ has been awarded to the extent of Rs.15,000/- each. Thus, total compensation was worked upon as Rs.24, 49,200/-.

Anyhow, at this stage, learned counsel for the appellants submits that he does not press the appeal qua appellants No.3 and 4, who are siblings of deceased. In view of the aforesaid statement, the appeal, as such, is hereby dismissed qua appellants No.3 and 4.

Furthermore, he submits that under the conventional heads, the

compensation awarded calls for enhancement and moreover, no amount has been paid on the count of ‘loss of consortium’.

As per *National Insurance Company Limited Vs. Pranay Sethi and others’ 2017(4) RCR (Civil) 1009*, addition of 10% is to be made after every three years of the pronouncement of the judgment. Thus, on the count of ‘loss of consortium’, appellants-claimants No.1 and 2 are entitled to Rs.48,400/- each i.e. Rs.96,800/- and they are also entitled to compensation on the counts of ‘loss of estate’ and ‘funeral expenses’ to the extent of Rs.18,150/- on each count. As such, the appellants No.1 and 2, are entitled to the amount of Rs.1,33,100/- on these counts. However, the amount of Rs.30,000/- awarded by learned Tribunal, on the counts of ‘loss of estate’ and ‘funeral expenses’ is to be deducted. After making such deduction, the enhanced amount is worked upon as $Rs.1,33,100 - Rs.30,000 = Rs.1,03,100/-$, which is to be paid by the insurance company.

As such, the requisite enhanced amount i.e. Rs.1,03,100/- be paid by the Insurance Company, to appellants No.1 and 2, within a period of 45 days from today onwards.

In the eventuality of any default, on the part of the Insurance Company, in making the payment, within the said period of 45 days, it shall be liable to the penal interest @ 6% per annum, till realization.

In view of the aforesaid terms, the FAO is allowed being compromised.

November 18, 2025
Vgulati

(ARCHANA PURI)
JUDGE

Whether speaking/reasoned
Whether reportable

Yes
Yes/No