IN THE HIGH COURT OF PUNJAB AND HARYANA
AT CHANDIGARH

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FAO-5342-2019 (O&M)
Date of decision : 03.02.2026

New India Assurance Company Limited ...... Appellant

versus

Parminder Kaur and others ...... Respondents

CORAM : HON'BLE MR. JUSTICE PANKAJ JAIN

Present: Mr. Rahul Pathania, Advocate
for the appellant.

Mr. M.S. Longia, Advocate and
Mr. Saurabh Bahmani, Advocate
for respondent No.1.

Mr. Inder Bir Singh, Advocate
for respondents No.4 and 5.

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<u>PANKAJ JAIN, J. (Oral)</u>

1. Insurance company is in appeal.

2. The primary grievance raised is with respect to the quantum of compensation awarded by the Tribunal. In a petition filed under Section 166 of the Motor Vehicles Act, 1988 by the respondent-claimants seeking compensation on account of death of Jaswinder Lal, who lost his life in a motor vehicular accident dated 18.10.2017 at the age of 40 years.

3. Counsel for the appellant claims that the monthly income of the deceased has been rightly taken to be Rs.46,000/- rounded of his gross salary of Rs.45,968/-. The salary included touring allowance of Rs.3,300/- which ought to have been deducted from the salary the

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deceased. He further submits that 40% of future prospects have been wrongly awarded. Keeping in view age of deceased, the same should have been granted @ 25%.

4. Counsel for the claimants is not in a position to dispute that touring allowance of Rs.3,300/- needs to be deducted, as the same was for the expenses to be incurred by the deceased on the tours which he used to undertake during the course of his employment. However, this Court finds that the income tax has been wrongly deducted. Thus, the monthly income of the deceased is taken to be **Rs.46,000 - 3,300 = 42,700/-**. Keeping in view the ratio of law laid down in ***'National Insurance Company Limited vs. Pranay Sethi and others', (2017) 16 SCC 680***, future prospects awarded by the Tribunal @ 40% need to be modified to 25%. Keeping in view number of dependents, 1/4th deduction needs to be applied. The claimants are also held entitled for Rs.18,000/- on account of funeral expenses. For loss of estate, they are awarded Rs.18,000/-. Each of the claimants is entitled for loss of a consortium @ Rs.48,400/-.

5. With the aforesaid modification, the present appeal is disposed off.

6. Since the main case has been decided, pending miscellaneous application, if any, shall also stands disposed off.

(PANKAJ JAIN)
JUDGE

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Whether speaking/reasoned : Yes

Whether Reportable : No

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