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

Sr. No.207

FAO-16136-2018
Date of Decision: 31.01.2026

BABITA AND ANOTHER

....Appellants

Versus

KRISHAN LAL AND OTHERS

.....Respondents

CORAM: HON'BLE MRS. JUSTICE ARCHANA PURI

Present:- Ms. Vani Singh, Advocate
for the appellants.

Mr.Rahul Pathania, Advocate
for respondent No.3-Insurance Company.

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ARCHANA PURI, J. (Oral)

At this stage, counsel for respondent No.3-Insurance Company submits that the Insurance Company is ready for amicable settlement with the appellants, if the compensation is worked upon, while taking the extent of earnings of the deceased, who was 14 years old, as Rs.8,500/- per month and if the recomputation is done, as per the prevalent law.

The offer made by the counsel for the Insurance Company is acceptable to the counsel for the appellants.

Considering the statement made by the counsel for the contesting parties, this Court, with the able assistance of both the counsel, has gone through the impugned Award.

The FAO in question has been filed by the appellants, who are the parents of the deceased-Himanshu, who was 14 years old, at the time of

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accident. It is not disputed that he was a student of 7th class, at the relevant time. Though, he was stated to be good in the sports, but however, admittedly the counsel for the appellants submits that no evidence, relating to the same, was led before learned Tribunal.

Considering the age of the deceased, learned Tribunal had considered the notional earnings of the deceased, as Rs.40,000/- per annum. While applying the multiplier of '16', the compensation was worked upon as Rs.6,40,000/- (40,000 x 16). Further, an amount of Rs.50,000/- was awarded, under the conventional heads i.e. loss of love and affection, funeral expenses and last rites.

Now, in view of the settlement reached between the parties, the notional earnings of the deceased are taken as Rs.8,500/- per month, the annual whereof comes to be Rs.1,02,000/-. After addition of 40% i.e. Rs.40,800/-, on the count of 'future prospects', the amount comes to be Rs.1,42,800/- (1,02,000 + 40,800). After deduction of 50%, on the count of 'personal expenses', the residue amount works upon as Rs.71,400/-. Considering the age of the deceased, '18' is the suitable multiplier to be applied. After applying the same, the loss of dependency, works upon as Rs.12,85,200/- (71,400 x 18).

Taking into consideration the aforesaid computation, enhancement is required to be made under the conventional heads, as per the settled law. On the count of 'funeral expenses', the amount payable, as per '***National Insurance Company Limited Vs. Pranay Sethi and others' 2017(4) RCR (Civil) 1009***, is Rs.18,150/-. Besides the same, even under the count of 'loss of estate', same amount is payable at present. Also, as per

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'Magma General Insurance Co. Ltd. V/s. Nanu Ram @ Chuhru Ram and others' 2018 (4) RCR (Civil) 333, on the count of 'loss of consortium', both the appellants, who are the claimants, are entitled for an amount of Rs.48,400/- each (inclusive of enhanced amount of 10%, after every 3 years, after pronouncement of the judgment).

In view of the aforesaid, the appellants are also held entitled to amount of Rs.1,33,100/- (48,400 + 48,400 + 18,150 + 18,150) under the conventional heads. As such, the appellants are entitled to the compensation, to the extent of Rs.14,18,300/- (12,85,200 + 1,33,100).

After deducting an amount of Rs.6,90,000/-, which has already been awarded by learned Tribunal, from Rs.14,18,300/-, the appellants are entitled to enhanced amount of Rs.7,28,300/-. The enhanced amount shall be payable by the Insurance Company, within a period of 6 weeks. On the enhanced amount, the appellants shall be held liable to the interest @ 6% per annum, from the date of filing of the appeal. In case of any default on the part of the Insurance Company, to make the payment in the given period, it shall be liable to pay penal interest @ 8% per annum, till realization.

In view of the aforesaid terms, the FAO stands allowed.

(ARCHANA PURI)
JUDGE

31.01.2026
Himanshu Vats

Whether speaking/reasoned : Yes

Whether reportable : Yes/No

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