

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

225

FAO-2505-2015 (O&M)  
Date of decision: 28.03.2018

KANCHAN AND ORS

... Appellants

Versus

AJAY KUMAR AND ORS

... Respondents

**CORAM: HON'BLE MRS. JUSTICE REKHA MITTAL**

Present : Mr. Ruhani Chadha, Advocate for the appellants.

Mr. Pradeep Kumar, Advocate for the insurance company.

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**REKHA MITTAL, J. (Oral)**

The claimants are in appeal seeking enhancement of compensation on account of death of Sanjay Kumar in a motor vehicular accident that took place on 24.11.2011.

The Tribunal has awarded compensation of Rs.12,72,500/-, detailed hereunder:-

1. Monthly income of the deceased	Rs.7500/-
2. Multiplier	17
3. Deduction for personal expenses	1/4 <sup>th</sup>
4. Loss of dependency	Rs.11,47,500/-
5. Expenses on funeral	Rs.25,000/-
6. Loss of consortium	Rs.1,00,000/-

The sole submission made by counsel for the appellants is that the Tribunal has not allowed benefit of increase in income for future prospects and claimants are entitled to benefit of future prospects @ 40% as the deceased was less than 40 years of age.

Counsel for the insurance company, on the contrary, would state that compensation allowed under conventional heads may be restricted to Rs.70,000/- in the light of latest judgment of Hon'ble the Supreme Court **National Insurance Company Limited Vs. Pranay Sethi and Ors., 2017 SCC 1270.**

The plea of claimants for addition in income qua future prospects @40% is meritorious in the light of judgment in **Pranay Sethi's case** (supra). Accordingly, loss of dependency comes to Rs.16,06,500/- (Rs.7500 x 12 x 17) + (40% future prospects) – (1/4<sup>th</sup> deduction for personal expenses).

Compensation awarded under conventional heads is modified to the effect that claimants shall be entitled to Rs.70,000/-, detailed hereunder:-

1. Loss of consortium	Rs.40,000/-
2. Loss of estate	Rs.15,000/-
3. Funeral expenses	Rs.15,000/-

Total compensation is Rs.16,76,500/- and the additional amount is Rs.4,04,000/- (16,76,500 – 12,72,500), payable with interest @ 7.5% per annum from the date of petition till realization to the widow and minor children of the deceased in equal proportion. The share of minors shall be invested in fixed deposits payable on their attaining age of majority or for a period of three years, whichever is later. The interest accruing on fixed deposits shall be payable to mother of the minors for meeting expenses on their education and living.

The appeal is partly allowed in the aforesaid terms.

28.03.2018

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**(REKHA MITTAL)**  
**JUDGE**

Whether speaking/reasoned:  
Whether reportable:

Yes / No  
Yes / No