



FAO-3139-2025(O&M)

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

FAO-3139-2025(O&M)

Date of decision:11.07.2025

Royal Sunderam General Insurance Company Limited

..Appellant

Versus

Arshdeep Kaur and others

..Respondents

CORAM: HON'BLE MR. JUSTICE ANIL KSHETARPAL

Present: Mr. D.K.Prajapati, Advocate for the appellant

Mr. Jatan D Chandail, Advocate for

Mr. Ashish Aggarwal, Advocate for the respondents

ANIL KSHETARPAL, J. (Oral)

1. The only challenge to the correctness of the award passed by the Motor Accident Claims Tribunal, Amritsar (hereinafter referred to as 'Tribunal') is on the question of quantum of compensation payable to the claimants. The Insurance Company does not challenge the correctness of the findings recorded by the Tribunal with regard to death of Sh.Harmandeep Singh in a vehicular accident and the findings of the Tribunal that the deceased died due to rash and negligent driving of Manu Lal, Driver of the truck, bearing registration plate no. PB-02-DF-4748.

2. Sh.Harmandeep Singh was aged about 31 years when he died on 05.04.2024. He left behind his widow and aged mother, who are the claimants. It is submitted that Sh.Harmandeep Singh was working as an Accountant in the Sandhu Transport Company, Tarn

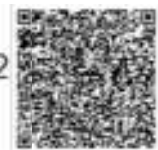


Taran was drawing salary of Rs.35,000/- per month. The claimants have produced salary certificate alongwith copies of salary bills of Sandhu Transport Company from the month of January, 2024. The salary bill is with respect to as many as 9 employees, which proves that the deceased was being paid Rs.35,000/- per month. The claimants have also produced a copy of the passport issued to late Sh.Harmandeep Singh. On a careful perusal thereof, it is evident that he has already visited 2-3 countries.

3. Learned counsel representing the appellant, while referring to the statement of witness, who appeared as CW3, submits that the claimants have failed to prove the income of the deceased.

4. CW3 is Sh.Baljinder Singh, who was owner of the Sandhu Transport Company. He not only produced the salary certificate but has also proved the salary bills. He was asked about his income tax returns. In response, he stated that he files income tax return, however, he has not brought the same as he was never called upon to bring the same.

5. Learned counsel representing the appellant further submits that the Tribunal has erred in increasing the income by 50% on account of future prospects. He submits that the deceased was not a government employee and hence, as per the judgment passed in ***'National Insurance Company Ltd. vs. Pranay Sethi and other'*** 2017 (10) SCC 450, the income could be increased by 40% and not 50%.



6. Learned counsel representing the respondents submits that Sh.Harmandeep Singh has left behind a widow, who is 28 years old.

7. Be that as it may. A Five Judges Bench in *Pranay Sethi's case (supra)* has already held that in case of death of person a deceased, who is on a fixed salary, the increase in income on account of future prospects is at 40% and not 50%. Hence, the award passed by Tribunal is modified to the extent that income of the deceased Sh.Harmandeep Singh will increase 40% on account of future prospects and not 50%. The revised calculation is as under:-

Sr. No	Head	Amount awarded by Tribunal	Amount awarded by this Court
1.	Income	Rs.35,000/-	Rs.35,000/-
2.	Future prospects	50% i.e 52,500/-	40% i.e 49000/-
3.	Dependency	1/3rd $52500/3 = 17500/-$ $52500-17500 = 35000/-$	1/3rd $49000/3 = 16,333/-$ $49000-16333 = 32667/-$
4.	Annual income	$35000 \times 12 = 420000$	$32667 \times 12 = 3,92,004$
5.	Multiplier	16 $420000 \times 16 = 67,20,000/-$	16 $392004 \times 16 = 62,72,064$
6.	Loss of estate	15,000/-	15,000/-
7.	Loss of consortium	Rs.40,000/-	Rs.40,000/-
8.	Funeral expenses	15,000/-	Rs.15,000/-
9.	Total amount awarded	67,90,000/-	63,42,064/-
10.	Excess amount	4,47,936/-	

8. In view of the aforesaid, the appeal is partly allowed. However, the appellant-Insurance Company is directed to pay the amount of compensation to the claimants within a period of next one month alongwith interest as ordered by the Tribunal.



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9. All the pending miscellaneous applications, if any, are also disposed of.

**(ANIL KSHETARPAL)
JUDGE**

11.07.2025

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Whether speaking/reasoned	Yes/No
Whether reportable	Yes/No