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

FAO-2515-2000

FAO-2442-2001

Date of Decision: 23.09.2025

1. FAO-2515-2000

NEW INDIA ASSURANCE CO. LTD.

....Appellant

Versus

NACHATTAR SINGH & ORS.

...Respondents

2. FAO-2442-2001

NACHATTAR SINGH

....Appellant

Versus

HARBANS SINGH AND OTHERS

...Respondents

CORAM: HON'BLE MR. JUSTICE PARMOD GOYAL

Present: Mr. Neeraj Khanna, Advocate
for the appellant/insurance company in FAO-2515-2000
and respondent No.3 in FAO-2442-2001.

Mr. Ashok Jindal, Advocate
for appellant/claimant in FAO-2442-2001
for respondent No.1 in FAO-2515-2000.

Parmod Goyal, J.

Present appeals have been preferred by appellants/claimants Nachattar Singh as well as respondent No.3-New India Assurance Company Limited being aggrieved by award dated 12.06.2000, passed by learned Motor Accident Claims Tribunal, Bathinda (hereinafter referred to as 'Tribunal').

2. Vide award dated 12.06.2000, learned Tribunal had allowed



claim petition preferred by appellant/Nachattar Singh seeking compensation on account of injuries suffered by him in the accident dated 07.07.1997, on account of rash and negligent driving of respondent No.1 while driving Bus No.DL-1P-7309.

3. Claimant had sought compensation of Rs.5,00,000/-, however, learned Tribunal on the basis of evidence awarded Rs.1,50,000/-. Learned Tribunal while deciding issue No.4 had held respondent No.3 liable to pay compensation to the claimant and decided issue No.4 against respondent No.3 and in favour of petitioners. The learned Tribunal had observed “Though if it is so advised it may take steps to recover the same from respondents No.2 and 3”. These observations are being stated by learned counsel for appellant/insurance company to be right of recovery in its favour. Aggrieved by above noted conclusion against respondent No.3/insurance company, respondent No.3 has preferred appeal on the ground that learned Tribunal has erred in not considering the report of local commissioner appointed by the learned Tribunal by order dated 08.10.1999, vide which Hira Lal Bansal, Tehsildar retired was appointed Court Commissioner to visit office of licencing authority, Meerut to verify the licence in favour of respondent No.1. He had duly submitted his report before learned Tribunal asserting that as per his verification no licence was found to be issued in favour of respondent No.1. It is the case of insurance company that report of Court Commissioner has not been considered by learned Tribunal though same was duly placed before learned Tribunal.

4. However, even of consideration of the report, I do not find any merit in the case of appellant/insurance company to disturb the finding of



learned Tribunal on issue No.4. It is worth noticing that vide order dated 08.10.1999, the learned Motor Accident Claims Tribunal had specifically directed the Local Commissioner to verify the licence issued in favour of respondent No.1 and if need be he may also record the statement of concerned official/officer on oath. It is worth noticing that no reasons have been disclosed by the Local Commissioner Hira Lal Bansal for not recording the statement of concerned official/officer from the office of licencing authority. The report of Local Commissioner in absence of statement of concerned official/officer from licencing authority and in absence of any record from the office of licencing authority cannot be taken as a gospel truth specially when he was not examined and subjected to cross-examination. The learned Tribunal though has failed to take notice of report placed before it, however, despite taking report in consideration, I do not find any merit in the case of appellant/insurance company. I don't find any reasons to interfere in the appeal preferred by appellant/insurance company.

5. In the present case, claimant has also filed a separate appeal seeking enhancement of compensation. It is the case of claimant that on account of injury suffered in the accident resulting into amputation of his lower left leg, claimant had suffered permanent disability to the extent of 40%. Claimant was 25 years old at the time of accident. Claimant asserted that he was carrying business of denter and painter at his own workshop and had been earning Rs.10,000/- per month. The learned Tribunal however, considering petitioner to be worker concluded that claimant must have been earning Rs.2,000/- per month and took his annual income to be Rs.24,000/-.

6. I do not find any wrong with the approach of learned Tribunal



though PW3 had asserted that he along with claimant was earning Rs.10,000/- per month, however, oral assertions in absence of any corroboration were rightly rejected by learned Tribunal. The learned Tribunal has rightly taken minimum wages to be the income of injured and has rightly held that claimant was earning Rs.24,000/- per annum. However, in the present case, no future prospects were added while calculating loss of earning capacity by applying multiplier of 15. In the present case, petitioner is entitled to addition of future prospects for calculating loss of earning capacity. Accordingly, 40% of annual income is taken towards future prospects and accordingly, for the purposes of calculating loss of earning capacity, the income of injured has to be taken Rs.33,600/- per annum. Multiplier in the present case needs to be taken 18 instead of 15 as injured was 25 years old at the time of accident. The permanent disability on account of amputation of left lower leg in fact goes to show that functional disability in the present case would be equivalent to permanent disability i.e. 40% and accordingly, petitioner shall be entitled to 40% of Rs.33,600/- x 18 = Rs.2,41,920/- on account of loss of earning capacity. Petitioner has been awarded Rs.6,000/- for pain and suffering. No amount was awarded towards expenses on medical treatment etc., loss of income, loss of future prospects, loss of future amenities and loss of life expectancy. Rs.6,000/- awarded by learned Tribunal for pain and suffering is totally inadequate.

7. Keeping in view the nature of injuries and resultant amputation of lower left leg, goes to show the extent of pain and suffering undergone by the appellant. Accordingly, appellant is granted Rs.20,000/- on account of pain and sufferings. No medical bills have been placed by appellant,



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accordingly, appellant is awarded compensation of Rs.5,000/- for medical expenses, special diet, attendant, transportation etc. Petitioner shall also be entitled to loss of income during the period of treatment which is taken as 4 months and accordingly, appellant/claimant shall be entitled Rs.8,000/- on account of loss of income during treatment. Petitioner shall be deprived of future amenities of life on account of amputation of his lower left leg, accordingly, a compensation of Rs.15,000/- is awarded on this account. Petitioner is also entitled to loss of future prospects specially marriage prospects as petitioner was just 25 years old at the time of permanent injuries, accordingly, Rs.25,000/- is awarded towards compensation for loss of future prospects as well as loss of life expectancy.

8. Appellant/claimant shall be entitled to following compensation :-

Income of deceased	Rs.2,000/- p.m. (as per minimum wages)	Rs.24,000/- p.a.
Future prospects	40% (24,000 + 9,600)	Rs.33,600/-
Functional disability	40%	Rs.13,440/-
Multiplier	18	18
Loss of earning capacity	Rs.13,440 x 18	Rs.2,41,920/-
Pain and sufferings		Rs.20,000/-
Medical expenses, special diet, transportation		Rs.5,000/-
Loss of income	Rs.8,000/- (2,000 x 4)	Rs.8,000/-
Future amenities of life		Rs.15,000/-



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Loss of future prospects & loss of life expectancy		Rs.25,000/-
Compensation awarded by Tribunal	Rs.1,50,000/-	
Compensation awarded in Appeal		Rs.3,14,920/-
Enhanced amount of compensation	Rs.3,14,920/- (awarded in appeal) – Rs.1,50,000/- (awarded by Tribunal)	Rs.1,64,920/-

9. Accordingly, appellant/claimant is held entitled to enhanced compensation of Rs.1,64,000/- along with interest @7.5% p.a. from the date of filing of petition till realization. The liability of respondents shall be in accordance with award passed by learned Tribunal.

10. The appeal preferred by the appellant/claimant is accordingly, allowed in above terms.

23.09.2025

chiranjeev

**(PARMOD GOYAL)
JUDGE**

Whether Speaking/Reasoned : Yes/No
Whether Reportable : Yes/No