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

**I. FAO-2792-2000 (O&M) with
XOBJC-12-CII-2001**

National Insurance Co. Ltd. . . . . Appellant

Vs.

Ramesh Kapoor and Others . . . . Respondents

II. FAO-1745-2001

National Insurance Co. Ltd. . . . . Appellant

Vs.

Krishan Singh and Others . . . . Respondents

**Reserved on: 28.11.2025
Pronounced on: 29.11.2025
Uploaded on: 29.11.2025**

CORAM: HON'BLE MR. JUSTICE DEEPAK GUPTA

Argued by:- Mr. Deepak Suri, Advocate
for the appellant.

Mr. Deepak Goyat, Advocate for
respondent No.1/cross-objector.

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<u>DEEPAK GUPTA, J.</u>

These two appeals filed by the insurer, and the cross-objections filed by claimant Ramesh Kapoor arise from the same motor vehicular accident and challenge the common award dated 02.08.2000 passed by the Motor Accident Claims Tribunal, Jalandhar.

2. Since common facts and issues are involved, all matters are being adjudicated together.

3. An accident occurred on 10.09.1996 involving a bus bearing registration No. PB-07C-8599, allegedly driven in a rash and negligent manner. As a result, Ramesh Kapoor and Krishan Kumar suffered injuries. Both injured persons filed separate claim petitions under Section 166 of the Motor Vehicles Act seeking compensation from the driver, the owner, and the insurer of the offending vehicle. The Tribunal, upon evaluation of evidence, held the bus driver negligent and awarded the following compensation:

- ₹4,50,000/- to injured – claimant Ramesh Kapoor**;**
- ₹2,20,000/- to injured – claimant Krishan Kumar**;**

with all respondents held jointly and severally liable, together with interest @ 12% p.a. from the date of petition till realization.

4. The insurance company filed two appeals limiting its prayer that recovery rights be granted in its favour, alleging that the driving licence of respondent No.1 (driver) was **fake**.

5. By order dated 08.01.2018, this Court allowed an application under Order XLI Rule 27 CPC and sought a report from the Motor Accident Claims Tribunal, Jalandhar, regarding the genuineness of the driver's licence. The Tribunal reported that the driver's licence was genuine**.** Upon this, learned counsel for the insurer conceded that the foundation of the appeals no longer survived.

6. Since the allegation of fake licence is factually incorrect, so, in view of the settled law, the insurer cannot avoid liability. Accordingly, both appeals filed by the insurance company are dismissed.

Cross-Objections by Claimant Ramesh Kapoor

7. In FAO No. 2792 of 2000, cross-objections have been filed by the claimant seeking enhancement of compensation**.**

8. It is established from the medical evidence that the claimant suffered amputation of the right arm above the elbow **and his** Permanent disability has been assessed at 80% (certificate Ex. A-3). Besides, Medical bills produced are for ₹40,000/- (Ex. A-1 to A-41).

9. The grievous nature of injury has lifelong implications on livelihood and quality of life, particularly when the amputation is of the dominant arm.

10. Ld. Tribunal awarded total amount of ₹4,50,000/- under following heads :

- ₹3,60,000/- towards loss of future income (by taking notional income as ₹3,000/- per month and applying multiplier '15'),
- ₹40,000/- towards pain and suffering,
- ₹50,000/- under the combined head of medical expenses, special diet, and miscellaneous expenses.

11. However, the claimant asserts this is inadequate. Ld. Counsel for the claimant submits that future prospects were not added, which is contrary to the principles laid down in ***National Insurance Co. Ltd. v. Pranay Sethi and others, 2017 (16) SCC 680*** and subsequent judgments; the Compensation under non-pecuniary heads was inadequate considering the devastating disability suffered; and that Tribunal wrongly clubbed medical expenses with special diet into a single meagre amount.

12. Counsel for the insurance company does not dispute non-addition of future prospects.

13. As per ***National Insurance Co. Ltd. v. Pranay Sethi (Supra),*** even self-employed or notional income earners are entitled to future prospects. The claimant was approximately 40 years old as noticed by the Tribunal and**,** thus entitled to 40% addition**.**

14. Amputation of the right arm above the elbow amounts to functional disability of 80%, significantly impairing earning capacity. This is consistent with

judicial precedents where upper-limb amputations drastically reduce earning ability Reference may be made to ***Raj Kumar v. Ajay Kumar*, 2011 (1) SCC 343.**

15. Considering lifelong suffering, loss of amenities, mental stress, future medical needs (prosthetics, physiotherapy), and loss of dignity attached to such a disability, enhancement is justified under Section 168 of the Motor Vehicles Act. As such, compensation for loss of future earning is assessed as under:

- Notional annual income: ₹36,000/- per annum
- After Addition of 40% future prospects: ₹50,400/- per annum
- Multiplier: 15
- Functional disability: 80%

Loss of earning capacity = (₹50,400 × 80%) × 15 = ₹6,04,800/-

16. Given the nature of the injury i.e., amputation of the right arm, the amounts awarded by the Tribunal for pain and suffering, and medical expenses were on the lower side. The Court is empowered to reassess these amounts to ensure just compensation under Section 168 of the Motor Vehicles Act, 1988.

17. Accordingly, the following amounts are assessed:

Head	**Amount (₹)**
• Loss of future income (as above)	• 6,04,800/-
• Pain and suffering	• 1,00,000/-
• Medical expenses (actual)	• 40,000/-
• Future medical expenses	• 50,000/-
• Special diet & transportation	• 20,000/-
• Loss of amenities of life	• 1,00,000/-
Total Compensation	• **9,14,800/-**

- Rounded to: ₹ 9,15,000/-

- Tribunal awarded: ₹ 4,50,000/-
- Enhanced Amount: ₹4,65,000/-

18. In view of above, both the appeals filed by National Insurance Co. Ltd. are dismissed; whereas Cross-objections filed by injured-claimant Ramesh Kapoor are partly allowed. It is directed as under:

- The claimant shall be entitled to enhanced compensation of ₹4,65,000/-, over and above the award of the Tribunal, along with interest @ 7.5% p.a. from the date of filing of the claim petition till realization.
- All respondents shall remain jointly and severally liable.
- A copy of this judgment shall be placed in the connected case file.

(DEEPAK GUPTA)
JUDGE

29.11.2025
Neetika Tuteja

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