



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

(230)

FAO No. 5167 of 2003(O&M)**Reserved on: 21.01.2026****Pronounced on: 27.01.2026****Uploaded on: 28.01.2026**

Palwinder Singh

... Appellant

Versus

Surjit Singh and others

... Respondents

CORAM: HON'BLE MR. JUSTICE VIRINDER AGGARWAL

Present: Mr. Veneet Sharma, Advocate
for the Appellant.

Mr. R.N.Singal, Advocate
for the Respondent No. 3/Insurance Company

VIRINDER AGGARWAL(J.)

1. The present appeal has been preferred by the claimant–appellant seeking enhancement of compensation awarded by the Motor Accident Claims Tribunal, Amritsar vide award dated 02.08.2003, whereby compensation of ₹2,30,000/- along with interest at rate of 9% per annum was granted on account of injuries suffered in a motor vehicular accident.

BACKGROUND FACTS

2. Briefly stated, on 14.02.1998 at about 7.45 PM, the appellant was going on his Maruti van bearing registration No. DDD-7782. When he reached near Sahnewal side, a truck bearing registration No. PJE-6477, driven by respondent No.1 in a rash and negligent manner, hit the appellant's vehicle. As a result of the accident, the appellant sustained multiple injuries and remained admitted in S.G.T.B. Hospital, Amritsar. FIR was registered and the claim petition was filed under Section 166 of the Motor Vehicles Act, 1988. The learned Tribunal, after



appreciating the evidence on record, held the accident to be the result of rash and negligent driving of the offending vehicle and awarded the compensation of ₹2,30,000/- under the various heads.

CONTENTIONS

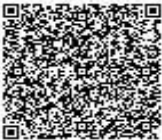
3. Learned counsel for the appellant contends that the compensation awarded by the learned Tribunal is grossly inadequate. It is argued that the appellant suffered 40% permanent disability in relation to the right lower limb with shortening of the leg and stiffness of joints, which has seriously affected his earning capacity as he was running a rickshaw repair shop and also working as a mechanic. The learned Tribunal has failed to award just compensation towards loss of future earning capacity, special diet, attendant charges and amenities of life. Enhancement is thus prayed for.

4. Learned counsel for respondent supported the award of the learned Tribunal, contended that the award had been passed after a proper and thorough appreciation of the evidence on record and therefore, did not warrant any interference by this Court.

OBSERVATION AND FINDINGS

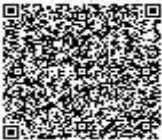
5. I have heard learned counsel for the parties at length and have carefully perused the record. The finding of the learned Tribunal on the issue of negligence has attained finality and does not call for any interference. The only question which arises for consideration in the present appeal is with regard to the reassessment of compensation, particularly the determination of functional disability and its impact on earning capacity.

6. It is not in dispute that the appellant sustained grievous injuries in the accident and suffered permanent disability to the extent of 40% in relation to the right lower limb, as duly established by medical evidence. The disability



certificate and testimony of the supporting witness (AW1) reflects shortening of the limb by 2.5 inch along with stiffness of the ankle, hip and knee joints, which would inevitably impair mobility and physical efficiency. The nature of injuries clearly demonstrates that the disability is not merely medical in character but has a direct bearing on the functional capacity of the appellant. The learned Tribunal awarded a sum of ₹1,80,000/- towards permanent disability without undertaking a proper assessment of the functional impact of such disability on the earning capacity of the appellant. The appellant was engaged in manual labour, and his monthly income has been assessed at ₹2,500/-. Considering the nature of work involving physical exertion, the aforesaid disability would substantially restrict his ability to perform manual tasks efficiently and consistently. In such circumstances, the functional disability is reasonably assessed at 40%, corresponding with the certified permanent disability. Accordingly, the monthly loss of earning capacity is assessed at approximately ₹1,000/-, resulting in an annual loss of ₹12,000/-, as rightly taken by the learned Tribunal. Further, in view of the law laid down by the Hon’ble Supreme Court in **National Insurance Company Limited v. Pranay Sethi, (2017) 16 SCC 680** and **Sarla Verma v. Delhi Transport Corporation, (2009) 6 SCC 121**, the loss of future income on account of permanent functional disability is required to be computed accordingly, as reflected in the tabulation hereinafter.

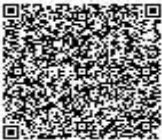
Particulars	Amount (₹)
Monthly Income	2,500
Loss of Monthly Income (Applying 40 % Functional Disability)	1,000/-
Income with Future Prospects (40%)	1,400/-



Annual Income	16,800/- (1,400 x 12)
Multiplier (Age 37 years)	15
Loss of future earning capacity due to disability	2,52,000/- (16,800 x 15)

7. The material on record further justifies medical expenditure to the extent of approximately **₹50,000/-**, which is maintained, considering that the appellant suffered serious injuries, remained under treatment for a substantial period and necessarily incurred expenses on medicines, consultations and related medical care. However, keeping in view the prolonged treatment, hospitalization, residual discomfort and permanent physical limitation, the compensation awarded under both pecuniary and non-pecuniary heads also deserves to be awarded. It is well settled, as held by the Hon’ble Supreme Court in ***Raj Kumar v. Ajay Kumar, (2011) 1 SCC 343***, that compensation under the Motor Vehicles Act must be just, fair and reasonable, and the assessment must reflect the real impact of the injury on the life and livelihood of the victim. Taking an overall view of the facts, evidence and settled principles of law, this Court is of the considered opinion that the compensation is to awarded under the following heads:

Particulars	Amount (₹)
Medical Expenses	50,000/-
Pain and Suffering	10,000/-
Loss of Amenities	10,000/-
Transportation	10,000/-
Special Diet	10,000/-
Attendant	10,000/-
Total	1,00,000/-



TOTAL COMPENSATION

Particulars	Amount (₹)
Loss of future earning capacity due to disability	2,52,000/-
Other Heads	1,00,000/-
Total Compensation	3,52,000/-

8. The appellant shall therefore be entitled to total compensation of **₹3,52,000/-** as against ₹2,30,000/- awarded by the learned Tribunal, resulting in an enhancement of compensation. The enhanced amount shall carry interest at rate of 7% per annum from the date of filing of the claim petition till realization. The liability to pay shall remain the same as determined by the learned Tribunal.

9. In view of the above discussion, the appeal is **allowed partly**. The impugned award is modified to the extent indicated hereinabove.

10. Since the main appeal stands decided, pending any miscellaneous application(s), if any, also stands disposed of.

27.01.2026
Saurav Pathania

(VIRINDER AGGARWAL)
JUDGE

(i) Whether speaking/reasoned : Yes/No
(ii) Whether reportable : Yes/No