



(219) IN THE HIGH COURT OF PUNJAB AND HARYANA
AT CHANDIGARH

FAO-2191-2002(O&M)
Date of Decision: 28.01.2026

MANGAT RAM

... APPELLANT

VS.

ISHWAR CHAND AND OTHERS

...RESPONDENTS

CORAM: HON'BLE MR. JUSTICE VIRINDER AGGARWAL

Present: Mr. Manish Boora, Advocate,
Mr. Dharamvir Sharma, Advocate for the appellant.
Mr. Shubham Gupta, Advocate for
Mr. D.P. Gupta, Advocate for respondent No.5.
Mr. Ved Parkash, Senior DAG, Haryana.

VIRINDER AGGARWAL,J.(ORAL)

1. This Appeal is directed against the award dated 14.01.2002 passed by the Motor Accidents Claims Tribunal, Karnal, whereby the learned Tribunal awarded a compensation of ₹3,10,000/- along with interest at 9% per annum to the appellant/claimant on account of injuries sustained in a motor vehicular accident.

BACKGROUND FACTS

2. The facts leading to the present appeal, in brief, are that on 13.07.1999 at about 12:30 p.m. near K.J. Rice Mill on the Kaithal-Karnal Road. Appellant Mangat Ram, aged about 33–34 years, was travelling as a pillion rider on a motorcycle being driven by Dr. Harish Kumar Sharma (since deceased). Another motorcycle was also proceeding ahead in the same direction. A Haryana Roadways bus bearing registration No. HR-45-2191, driven by respondent No.1 Ishwar Chand, came from the Kaithal side at a very high speed and in a rash and negligent manner, without blowing any horn.

After narrowly missing the motorcycle ahead, the bus struck the motorcycle of



the injured from behind, causing both the rider and the pillion rider to fall on the road. The left front wheel of the bus ran over the motorcycle as well as the occupants, resulting in the death of the driver on the spot and causing multiple grievous injuries to the appellant Mangat Ram. The appellant sustained multiple grievous injuries, including crush injury to left leg (resulting in amputation below the knee at upper 1/3rd level), right femur fracture (rod inserted), fractures to right leg below knee, right hand and arm. He was initially taken to General Hospital, Karnal, referred to PGI Chandigarh, but admitted to St. Stephen Hospital, Delhi. Consequent upon the accident, a claim petition came to be filed by the injured appellant under Section 166 of the Motor Vehicles Act, 1988, before the learned Motor Accident Claims Tribunal, Rohtak (hereinafter referred to as the learned Tribunal), seeking compensation of Rs.20,00,000/-

3. Upon appreciation of the oral as well as documentary evidence led by the parties, the learned Tribunal returned a categorical finding that the accident in question occurred solely due to the rash and negligent driving of the offending Haryana Roadways bus driven by respondent No.1. In arriving at this conclusion, reliance was placed upon the cogent and trustworthy testimony of the injured eye-witness-claimant Mangat Ram(PW-2), duly corroborated by the evidence of Krishan Lal(PW-3), Criminal Ahlmad, along with the police record including the FIR(Ex.P-39), site plan(Ex.P-40), seizure memo(Ex.P-41) and the mechanical inspection report(Ex.P-42). Learned Tribunal also took note of the fact that respondent No.1 was facing criminal prosecution for offences punishable under Sections 279, 337, 338, 304-A and 427 of the Indian Penal Code arising out of the same occurrence. The Learned



Tribunal further recorded a finding that respondent No.1 was not holding a valid and effective driving licence at the time of the accident. It was held that the original driving licence bearing No.2672/87 was never issued by the Licensing Authority, Simla, rendering the same a forged document, and consequently, all subsequent renewals based thereon were invalid. Such use of a forged driving licence was held to be in clear violation of the terms and conditions of the insurance policy, thereby entitling respondent No.5- Insurance Company to recover the compensation amount from the owners of the offending vehicle. Accordingly, respondents No.1 to 5 were held jointly and severally liable, with respondent No.5 directed to satisfy the award in the first instance and thereafter recover the same from respondents No.2 to 4, in view of the law laid down in *New India Assurance Company v. Kamla, 2001-1 PLR 830*.

4. While determining the quantum of compensation in the injury claim, the learned Tribunal awarded a sum of ₹10,000/-towards pain and suffering, ₹40,000/- towards expenses on medicines and medical treatment, ₹2,30,000/- towards adverse effect on future earning capacity and diminution of future prospects on account of 72% permanent disability, ₹15,000/-towards expenses on conveyance, special diet and attendant charges, and ₹15,000/- towards unforeseen expenses incurred during hospitalization and loss of love and affection. The total compensation was thus assessed at ₹3,10,000/-, which was directed to carry interest at the rate of 9% per annum from the date of filing of the claim petition till realization.

CONTENTIONS



5. Learned counsel for the appellant argued that the compensation awarded by the learned Tribunal is grossly inadequate and inconsistent with the settled principles for determining just compensation. It was submitted that the learned Tribunal failed to grant adequate amounts under essential heads such as disability (despite evidence of 72% disability), pain and suffering, loss of amenities, transportation, attendant charges, special diet, and loss of income during treatment and recovery. It was thus urged that the award warrants enhancement.

6. Per Contra, the learned State Counsel and respondent No.5 while supporting the impugned award, submitted that the learned Tribunal has appreciated the evidence in its correct perspective and has passed the award strictly in accordance with law. It is argued that the claim of injured appellant has been duly considered, and the amounts awarded under various heads are just, proper, and reasonable. It is further contended that no infirmity, perversity, or misreading of evidence can be attributed to the conclusions arrived at by the learned Tribunal so as to warrant interference by this Court in exercise of appellate jurisdiction.

OBSERVATIONS AND FINDINGS

7. I have heard learned counsel for the parties and perused the complete records. On due consideration of the findings recorded by the learned Tribunal, particularly on the issue of negligence and the absence of a valid driving licence (leading to exoneration of the insurer), I find no reason to take a different view. The findings on those aspects are accordingly affirmed, and the liability remains fastened jointly and severally on respondents No.1 to



5 (respondent No.5 to pay and recover). However, the core issue arising in the present appeal pertains to the reassessment of the quantum of compensation.

8. For the purpose of reassessment of compensation, the first issue requiring determination is the extent of functional disability so as to compute the loss of future earning capacity. The disability certificate (Ex.P-45) issued by the Medical Board, General Hospital, Karnal, assessed 72% permanent disability qua the affected part, on account of amputation of the left leg below the knee at the upper one-third level, insertion of a rod in the right femur, multiple fractures of the right leg below the knee, crush injury to the left hand, and injuries to the right hand and arm. The permanent nature of the disability stands duly proved from the testimony of Dr. Ravinder Arora (PW-4), a member of the Medical Board. Significantly, the learned Tribunal, upon personal observation of the appellant during recording of evidence, noted that the appellant was not in a position to stand or walk, was brought to the witness box in the lap of his brother Brij Lal, and had to depose while seated on a chair. This contemporaneous observation clearly establishes that even at the time of trial, the appellant had not shown any functional recovery and remained severely crippled, requiring constant assistance for basic mobility. At the time of the accident, the appellant was aged about 33-34 years and was employed as a driver with M/s Narusons Overseas Limited, Branch Office, Karnal, involving driving of company cars and jeeps. The vocation of driving inherently requires effective and sustained use of both lower limbs for operating pedals, maintaining balance, prolonged sitting, standing and physical exertion.



9. Further, the amputation of the left leg below the knee, coupled with rod insertion in the right femur, persistent pain, inability to bear weight on the right leg, inability to climb stairs, walk independently or perform routine activities without assistance, has rendered the appellant completely unfit to pursue his pre-accident vocation. In such circumstances, although the physical disability has been assessed at 72% qua the affected part, the residual impairments translate into a total loss of functional capacity for the work of driving, thereby resulting in complete deprivation of his earning ability. The learned Tribunal, while noticing the seriousness of the injuries, had awarded a lump-sum amount of ₹2,30,000/- under the heads of loss of future earning capacity and diminution of future prospects. However, the said assessment does not reflect the actual extent of functional disability suffered by the appellant. Applying the principles laid down by the Hon'ble Supreme Court in ***Raj Kumar v. Ajay Kumar, (2011) 1 SCC 343***, wherein it has been held that functional disability must be assessed with reference to the impact on earning capacity and not merely the percentage of physical disability, and having regard to the age of the appellant, the bilateral involvement of the lower and upper limbs, the complete loss of driving ability and the lifelong dependence on assistance, it is just and appropriate to assess the appellant's functional disability at 100% in the facts and circumstances of the present case.

Income

10. It is well settled that proceedings under the Motor Vehicles Act, 1988 are summary in nature, and the determination of compensation is governed by the principle of preponderance of probabilities, and not by the strict standards of proof applicable to criminal trials. The Hon'ble Supreme



Court has authoritatively held that where oral evidence regarding income is there and such evidence remains uncontroverted, the Tribunal is bound to accept the same on the touchstone of preponderance of probabilities, and the claim cannot be rejected merely for want of documentary proof. The Hon'ble Supreme Court has further observed that insistence on strict documentary evidence in every case would be antithetical to the beneficial object of the Motor Vehicles Act, 1988. Recently, the Hon'ble Supreme Court in ***Sebati Nath & Ors. v. Shriram General Insurance Company Ltd. (Civil Appeal arising out of SLP (C) No.26253 of 2025)*** has held as under:

*“Para 8. We are inclined to interfere with the findings of the Courts below in assessing the income of the deceased at Rs.7,000/- per month as the same was not assessed correctly on the basis of the evidence on record. This Court in **Chandra v. Mukesh Kumar Yadav**, has held that “In the absence of documentary evidence on record, some guesswork is required to be done”. Also, in the case of **Prabhavathi v. Bangalore Metropolitan Transport Corpn.**, this Court has held that:*

*“13. It is the settled law that under the Motor Vehicle Act, 1988 it is established that in compensation cases, the strict rules of evidence used in criminal trials do not apply. Instead, the standard of proof is based on the preponderance of probability. This Court in **Sunita v. Rajasthan SRTC** observed that:*

“22. It is thus well settled that in motor accident claim cases, once the foundational fact, namely, the actual occurrence of the accident, has been established, then the Tribunal's role would be to calculate the quantum of just compensation if the accident had taken place by reason of negligence of the driver of a motor vehicle and, while doing so, the Tribunal would not be strictly bound by the pleadings of the parties. Notably, while deciding cases arising out of motor vehicle accidents, the standard of proof to be borne in mind must be of preponderance of probability and not the strict standard of proof beyond all reasonable doubt which is followed in criminal cases.”



*The exposition came to be reiterated in **Rajwati alias Rajjo v. United India Insurance Company Ltd.**, wherein it was observed that*

“20. It is well settled that Motor Vehicles Act, 1988 is a beneficial piece of legislation and as such, while dealing with compensation cases, once the actual occurrence of the accident has been established, the Tribunal's role would be to award just and fair compensation. As held by this Court in Sunita (Supra) and Kusum Lata (Supra), strict rules of evidence as applicable in a criminal trial, are not applicable in motor accident compensation cases i.e., to say, “the standard of proof to be borne in mind must be of preponderance of probability and not the strict standard of proof beyond all reasonable doubt which is followed in criminal cases.

.....emphasis supplied)

11. In the present case, the appellant was employed as a driver with M/s Narusons Overseas Limited, Branch Office, Karnal at the time of the accident and stepped into the witness box as PW-2, wherein he categorically deposed that he was earning ₹4,500/- per month (₹3,500/- as salary and the remaining amount towards travelling allowances). His testimony on the aspect of income is clear, consistent and has remained unrebutted, as the respondents neither led any evidence to the contrary nor put any effective challenge to the said assertion in cross-examination. Applying the aforesaid principles to the facts of the present case, the oral testimony of the appellant regarding his monthly income merits due acceptance, the same having remained unrebutted. It is a matter of record that during the relevant period 1999, the prevailing wages of a skilled worker/driver were around ₹3,000/- per month. However, keeping in view the uncontroverted testimony of the appellant that he was earning ₹4,500/- per month, but not supported by any documentary evidence and testimony of any witness on behalf of the employer, and bearing in mind that

the Motor Vehicles Act is a beneficial piece of legislation, it would be just and appropriate to assess the appellant’s monthly income at ₹4,000/- for the purpose of computation.

Quantum of Compensation

12. Accordingly, applying the principles laid down in *Sarla Verma v. Delhi Transport Corporation, (2009) 6 SCC 121* and *National Insurance Company Ltd. v. Pranay Sethi, (2017) 16 SCC 680*, the loss of future earning capacity on account of permanent functional disability is re-assessed hereinafter.

Particulars	Award by Tribunal (₹)	Amount (₹)
Monthly Income (100% Functional Disability)	x	4,000/-
Monthly Income with Future Prospects (40%)	x	5,600/- (4,000 + 1600)
Annual Income	x	67,200/- (5.600 × 12)
Multiplier (Age 34 years)	x	16
Loss of Future Income	2,30,000 (Lump-Sum)	10,75,200/- (67,200 × 16)

13. Apart from loss of future earning capacity, the claimant is also entitled to just compensation under other pecuniary and non-pecuniary heads. The principles governing assessment of such compensation stand authoritatively settled by the Hon’ble Supreme Court in *Raj Kumar v. Ajay Kumar, (2011) 1 SCC 343*, wherein it has been held that in injury cases, compensation must adequately cover medical expenses, loss of income during treatment, pain and suffering, loss of amenities of life, attendant charges, special diet, transportation and future medical requirements, depending upon



the facts of each case. In the present case, the evidence on record, including the testimony of the injured claimant Mangat Ram (PW-2), Dr. Naresh Kaushal (PW-5) who treated him at Tagore Hospital, Karnal, and Dr. Ravinder Arora (PW-4) who proved the disability certificate, duly establishes the seriousness of the injuries and prolonged treatment undergone by the claimant. The documentary evidence comprising discharge slips (Ex.P-6, Ex.P-26), hospital bills (Ex.P-27), medical receipts and cash memos (Ex.P-8 to Ex.P-31, Ex.P-32 to Ex.P-37) and the reference slip from General Hospital, Karnal (Ex.P-46), further corroborates the same. The claimant remained hospitalized for a substantial and prolonged period, namely, at St. Stephen Hospital, Delhi from 13.07.1999 to 10.08.1999 and thereafter at Tagore Hospital, Karnal from 15.08.1999 to 26.09.1999 . During this period, he underwent multiple major surgical procedures, including amputation of the left leg below the knee, insertion of a steel rod in the right femur, and skin grafting, besides continued treatment thereafter for crush injuries to the left leg, fracture of the right femur, fracture of the right leg below the knee and injuries to the right hand and arm, resulting in 72% permanent disability qua the affected part.

14. The compensation awarded by the learned Tribunal under these heads namely, ₹10,000/- towards pain and suffering, ₹40,000/- towards medicines and treatment, ₹15,000/- towards conveyance, special diet and attendant charges, ₹15,000/- towards unforeseen hospital expenses and loss of love and affection, and ₹2,30,000/- towards adverse effect on future earning capacity and diminution of prospects is found to be on the lower side. The same does not adequately reflect the gravity of the injuries, the prolonged hospitalisation, the multiple surgeries, the intense physical and mental trauma



suffered, and the lifelong crippling effect of the disability. It also merits notice that even at the time of recording of evidence, the learned Tribunal personally observed that the claimant was unable to stand or walk, had to be brought to court in the lap of his brother, and could depose only while seated, clearly demonstrating his complete dependence on others years after the accident. In view of the aforesaid circumstances, the claimant is held entitled to enhanced compensation under the following heads:

Particulars	Re-assessed Compensation (₹)
Pain and suffering	50,000/-
Medical expenses	40,000/-
Transportation	20,000/-
Attendant	30,000/-
Special diet	15,000/-
Loss of income during Hospitalisation	10000/-
Total	1,65,000/-

Total Compensation

15. Thus, the total compensation payable to the claimant is reassessed as under:

Particulars	Amount (₹)
Loss of Future Income	10,75,200/-
Other Heads	₹1,65,000/-
Total	₹12,40,200/-

16. In view of the above, the appeal is partly allowed. The impugned award dated 14.01.2002 is modified to the extent that the compensation payable to the appellant is enhanced from ₹3,10,000/- to ₹12,40,200/-. The enhanced amount shall carry interest at the rate of 7% per annum from the



date of filing of the claim petition till realization. Except for the modification of the quantum of compensation, all other findings recorded by the learned Tribunal, including those with regard to negligence, liability and mode of disbursement, shall stand affirmed.

17. Since the main case has been decided, pending miscellaneous application(s), if any, stands also disposed of.

(VIRINDER AGGARWAL)
JUDGE

28.01.2026

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