

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

**FAO-42-2024(O&M); and
XOBJ-19-2024(O&M)**

Reserved on: 25.02.2026

Pronounced on: 18.04.2026

Amritpal Singh and another

... Appellants

Versus

Ramandeep Kaur and another

... Respondents

CORAM: HON'BLE MR. JUSTICE VIKRAM AGGARWAL

Present: Mr. G.S. Nahel, Advocate,
for the appellants.

Mr. Yogesh Gupta, Advocate,
for respondent No.1.

Mr. R.D. Gupta, Advocate
for respondent No.2-Insurance Company.

VIKRAM AGGARWAL, J.

The instant appeal has been instituted by Amritpal Singh and Ram Kishan (driver and owner of car bearing registration No.PB-65-M-8941), assailing award dated 08.05.2023, passed by the Motor Accident Claims Tribunal, SAS Nagar, Mohali (for short, '**the MACT**'), vide which the claim petition instituted by one Ramandeep Kaur for the grant of compensation on account of injuries and permanent disability suffered by her in a motor vehicular accident, which took place on 07.04.2018, was allowed and compensation of Rs.6,70,850/- was awarded, and the liability to pay the same was fastened upon the driver and owner of the offending vehicle. The claimant-injured has also instituted cross-objections, seeking enhancement in compensation.



2. Briefly stated, a claim petition was instituted by one Ramandeep Kaur under Section 166 of the Motor Vehicles Act, 1988 (for short, '**MV Act**'), claiming compensation of Rs.10,00,000/- on account of injuries and permanent disability suffered in a motor vehicular accident, which took place on 07.04.2018. It was averred that on 07.04.2018, at about 7:00 pm, Ramandeep Kaur was going to Village Badali from her Village Madanheri with her cousin Manjit Kaur on an Aactiva scooter, which was being driven by Manjit Kaur and Ramandeep Kaur was the pillion rider. When they reached near Badali, a car bearing registration No.PH-65-M-8941 (hereinafter referred to as '**the offending vehicle**'), being driven by respondent No.1 (Amritpal Singh), came at a high speed from the opposite side, in a rash and negligent manner and struck against the scooter. As a result of the same, Ramandeep Kaur and Manjit Kaur fell down on the road and suffered injuries. Ramandeep Kaur suffered injuries on her right leg and various other parts of the body. She was taken to Civil Hospital, Kharar, from where, she was referred to PGI, Chandigarh.

3. FIR No.39, dated 18.04.2018, was registered at Police Station, Kharar, under Sections 279, 337, 338 & 427 IPC.

4. It was averred that Ramandeep Kaur was 24 years old and was unmarried at the time of accident. She was claimed to have been working as a Supervisor-cum-Manager in Ceragem Health Care Centre, Mohali, earning Rs.10,000/- per month. It was averred that she suffered fracture of both bones of her right leg apart from other multiple serious injuries and suffered permanent disability to the extent of 27%. It was averred that she had incurred expenses of Rs.2,00,000/- on her treatment. It was also averred that



she had suffered a huge loss in earning, earning capacity, future prospects, expenditure on medicines, conveyance and special diet, loss of social status, mental agony, pain and suffering, loss of enjoyment of future life, expenditure on attendant charges etc. Accordingly, a sum of Rs.10,00,000/- was claimed as compensation.

5. Respondent No.1, driver of the offending vehicle, opposed the claim petition. The factum of accident was denied. It was averred that the accident had, in fact, taken place between Activa scooter and one three-wheeler bearing registration No.PB-65-F-3853. It was averred that the video of the accident had been recorded at the spot by the public and the said video had been downloaded by the answering respondent, and photographs of the accident had also been clicked.

5.1 It was averred that the offending vehicle was insured with the New India Assurance Company Limited from 23.05.2017 to 22.05.2018. The same was a third party insurance. When the officials of the insurance company were approached to take the pictures of the accident, they refused.

5.2 It was averred that whereas the alleged accident had taken place on 07.04.2018, the FIR had been registered on 18.04.2018 and, therefore, the possibility of manipulation and connivance could not be overruled.

5.3 It was also averred that the offending vehicle had struck a tree on the same evening, i.e. 07.04.2018, while its driver Harjit Singh was trying to save the vehicle from a stray cow. Respondent No.1 had, as a result of the same, received injuries.

6. The Insurance Company filed a separate written statement raising its usual defences. The factum of the accident was denied. It was



stated that the insurance company was not in a position to admit as to whether the offending vehicle was insured unless a copy of the insurance policy was placed on record.

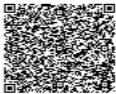
7. From the pleadings of the parties, the following issues were framed:-

- “1. Whether Ramandeep Kaur had sustained injuries in a motor vehicular accident which took place on 7.4.2018 at about 7 P.M. in the area of Village Badali, due to rash and negligent driving of car bearing registration No.PB-65-M-8941, by respondent No.1? OPP**
- 2. If issue No.1 is proved, whether the claimant is entitled to compensation, if so, to what extent and from whom? OPP.**
- 3. Whether the petition is not maintainable? OPR**
- 4. Whether the respondent no.1 was not holding valid and effective driving licence at the time of accident, if so, its effect? OPR-3**
- 5. Relief.”**

8. Parties led their respective evidence.

9. Vide award dated 08.05.2023, the MACT found that the accident, as a result of which injuries and permanent disability had been caused to the injured-claimant, had taken place on account of rash and negligent driving of the offending vehicle by respondent No.1.

10. On quantum, the age of the insured was assessed as 24 years. Her monthly income was assessed as Rs.9,000/- per month. 40% was added as future prospects. Considering the permanent disability of 27%, the functional disability was assessed at 20%. The loss of income was, therefore, worked out to be Rs.5,44,320/-. Apart from the same, Rs.13,000/- was awarded on account of pain and suffering, Rs.20,000/- towards attendant charges, Rs.20,000/- towards special diet and Rs.15,000/- under the head of transportation. Accordingly, the compensation was assessed as under:-



Sr. No.	Age	24 years
1.	Period of Hospitalization	8.4.2018 to 26.4.2018
2.	Occupation and Income	Treated as skilled labourer. Income including future prospects Rs.1,51,200/- per annum.
Pecuniary Expenses		
i.	Medicines	21,522/-
ii.	Future medical expenses	20,000/-
iii.	Special diet	20,000/-
iv.	Transportation charges	15,000/-
v.	Pecuniary loss of income	5,44,320/-
vi.	Attendant charges	20,000/-
Non-Pecuniary Expenses		
i.	Physical pain, sufferings, mental agony and amenities of life.	30,000/-
Total		Rs.6,70,842/- (Rounded of Rs.6,70,850/-)

11. Learned counsel for the parties were heard.
12. Learned counsel for the appellants strenuously urged that the MACT had erred in fastening the liability of paying the compensation upon the appellants. It was argued that the MACT did not consider the very important fact that the alleged accident took place on 07.04.2018, whereas the FIR was registered on 18.04.2018, and no explanation for the said delay had been given. It was argued that this in itself would show that the offending vehicle had been introduced with the connivance of the police after indulging in manipulations.
- 12.1 It was argued that the MACT also wrongly fastened the liability to pay the compensation upon the appellants. It was argued that the MACT did not examine the proposal form from the right perspective. It was argued that the proposal form duly contained the date from which the vehicle had been insured and the date till which the same was insured and it also



mentioned the premium to be paid. It was argued that the said premium had been paid in cash and, therefore, there was no occasion for the MACT to hold that there was no valid policy of insurance.

12.2 It was also argued that it had been proved on record that the accident had, in fact, taken place with an auto rickshaw and photographs of the accident were also produced, but were not considered by the MACT.

12.3 On quantum, it was argued that excessive compensation was granted by the MACT.

13. It was, therefore, argued that the award is not sustainable and the same deserves to be set aside.

14. Learned counsel for the cross-objector submitted that the monthly income had been assessed on the lower side, whereas it had been proved on record that the injured is a highly skilled person. Reference was made to the oral and the documentary evidence led on the record of the case. It was also argued that the functional disability was erroneously assessed at 20%, whereas it should have assessed at more than 30%.

14.1 It was also argued that inadequate compensation was granted under various heads, including pain and suffering, transportation, special diet, attendant charges, and further no compensation was granted on account of loss of marriage prospects. It was argued that the marriage prospects of the injured had been severally impacted on account of permanent disability suffered by her.

15. Learned counsel representing the insurance company submitted that there is no illegality in the findings recorded by the MACT insofar as the liability to pay the compensation is concerned. It was argued that neither



the policy of insurance nor the receipt of payment etc. had been produced on record to show that some premium had been paid by the appellants. It was argued that a proposal form can never be said to be a policy of insurance, as the proposal form is followed by a cover note and then a policy of insurance. In support of his contentions, learned counsel placed reliance upon the decisions rendered by the Apex Court in **Reliance Life Insurance Company Ltd. and another v. Jay Wadhwani**, 2024 INSC 10 [in SLP(Civil)-10954-2019, decided on 03.01.2024], and a coordinate Bench of this Court in **Charat Singh v. Rajveer Kaur and others**, 2022:PHHC:115355 (in FAO-2064-2012, decided on 08.09.2022).

16. I have considered the submissions made by learned counsel for the parties and have perused the record.

17. Each issue shall be taken up one by one. The first issue which would arise for consideration is as to whether the accident, as a result of which Ramandeep Kaur suffered injuries and permanent disability, had taken place on account of the rash and negligent driving of the offending vehicle by respondent No.1 or was the case a made up story, as alleged by the appellants.

18. Concededly, after the accident, the injured was firstly taken to the Civil Hospital, from where she was referred to PGI Chandigarh. Ex.P9 is the discharge and follow up card of PGI Chandigarh, as per which Ramandeep Kaur remained admitted in PGI from 07.04.2018 to 26.04.2018. FIR No.39 dated 18.04.2018 was registered on the statement of Ramandeep Kaur. The police proceedings duly show that information about Ramandeep Kaur being admitted in PGI Chandigarh was received on 07.04.2018 itself.



The police officer went to PGI Chandigarh on 10.04.2018 when he was told that the owner of the car was wanting to settle the matter and that if the matter was not settled, the FIR would be registered. Since the matter could not be settled, the FIR was registered on 18.04.2018. The delay in registration of the FIR, therefore, duly stood explained.

19. Even otherwise, with the nature of injuries suffered by Ramandeep Kaur, the primary focus would have been to get treatment done rather than getting an FIR registered. The treatment record shows surgeries having been undergone by Ramandeep Kaur and permanent disability of 27% having been suffered by her.

20. Not only this, after investigation of the matter, final report under Section 173 Cr.P.C. (Ex.P16) was filed in the Court, pursuant to which charges were also framed on 08.03.2022 (Ex. P17).

21. Further, Ramandeep Kaur duly stepped into the witness box as PW1 and deposed in detail about the manner in which the accident had taken place. Despite lengthy cross-examination, nothing came on record which could have supported the case of the respondents.

22. Under the circumstances, the MACT committed no illegality by holding that the accident, as a result of which Ramandeep Kaur had suffered injuries and permanent disability, had taken place due to rash and negligent driving of the offending vehicle by Amritpal Singh.

23. In so far as the story put forth that the accident had taken place with a three wheeler and that the offending vehicle independently struck a tree was not proved on record. The photographs etc. were not proved in



accordance with law. There was no evidence to support this theory. Under the circumstances, the MACT rightly rejected the same.

24. Now coming to the issue of liability to pay the compensation, the only thing that was produced on record was a proposal form (Ex.R4/A). The witnesses produced by the insurance company, namely, RW4 Vijay Kumar stated that the proposal form did not bear his signatures and did not pertain to his office. He denied his signatures on the said proposal form. He stated that the bifurcation of premium was never given in the proposal form. He clarified that a proposal form is filled only when a client comes to their office and after verification and payment of premium, the policy is issued. It was also stated that the stamp of risk date is never put on the proposal form.

25 To prove that the same was a genuine document, no other steps were taken by the appellants. No expert was examined to prove that the signatures on the proposal form were that of RW4. No receipt of payment was produced. No policy of insurance or even a cover note was produced. Under the circumstances, the MACT rightly held that the vehicle was not insured. The findings of the MACT on this aspect are as under:-

“33. So far as the liability of the respondents to pay the above said compensation is concerned, it stands already proved on record that respondent No.1 Amritpal Singh was driver and respondent No.2 Ram Kishan was owner of the offending vehicle at the time of accident in question. Further, in this claim petition, claimant has impleaded respondent No.3 New India Assurance Company as insurer of the offending vehicle bearing No.PB-65-M-8941 at the time of accident in question. Even while appearing in the witness box as RW2, respondent No.1 Amritpal Singh has deposed that Maruti car bearing No.PB-65-M-8941 was insured with the New India Assurance Company Limited from 23.5.2017 to 22.5.2018. He has further



deposed that after receiving the payment, insurance policy by affixing office seal and signatures was issued by the insurance company and copy of which is on record and the same was third party insurance policy. In order to rebut the evidence of respondents No.1 and 2, respondent No.3 insurance company has examined RW4 Vijay Kumar, Micro Incharge, Micro Office, New India Assurance Company, Opposite Magnolia Hotel GT road Kartarpur, who deposed on oath that he is working as Micro Incharge in the aforesaid office since 2012, which is single window office. He further deposed that he has seen Proposal Form Annexure R-2 placed on record, which does not bear his signatures and does not pertain to his office. The signatures at the seal at Point A are not of him. The bifurcation of premium at Point-B is never given in their proposal forms. When, any client comes to their office, then proposal form is filled and thereafter they verify the registration certificate of that vehicle through under writing officer, whom he is only and then immediately they issue the insurance policy, after getting the premium that can be through cheque or cash. They never affix the stamp of risk date i.e at Point C on the proposal form. The proposal form is accepted and signed with date. They never issue the proposal form to the client because this is not insurance document. The Annexure R-2 has never been issued from his office and is not signed by him. He is the only signing authority. Though this witness RW4 Vijay Kumar has been cross examined at length by respondents No.1 and 2 as well as by claimant, but nothing fruitful could be elicited from his mouth, which could prove that the document i.e Proposal form Ex.R4/A has been issued by any official or agent of the respondent No.3 Insurance Company. Even otherwise, this document Ex.R/A is only a proposal form and it is not a Insurance policy. Further respondent No.2 Ram Kishan owner of the offending vehicle has also failed to prove on record any document to show that he has made the payment of premium for issuance of insurance policy of the offending vehicle. So, in these circumstances, this Tribunal is of the considered opinion that at the time of accident in question, the offending vehicle was not insured with respondent No.3 Insurance Company. Accordingly,



respondents No.1 and 2 being driver and owner of the offending vehicle, are liable to pay the above said amount of compensation to the claimant, jointly and severally. This issue stands decided in favour of the claimant accordingly.”

26. This Court does not find any illegality in the aforesaid findings, as a proposal form simplicitor would not, under any circumstance, prove that the vehicle was insured. It is a matter of common knowledge that even when a cover note is issued, it is followed by a policy of insurance. Still further, once the insurance company had denied that the proposal form had not been issued by its office, it was incumbent upon the appellants to have led evidence to prove that the premium had been paid by them and that the document (Ex.R4/A) was a genuine and valid document. In taking this view, I draw support from a decision of the Apex Court in the case(s) of **Reliance Life Insurance Company Ltd. and another v. Jaya Wadhwani** (supra), wherein it was held as under:-

“15. In the present appeals, we do not find any such issue of back dating but the date of issuance of the policy would be the relevant date for all the purposes and not the date of proposal or the date of issuance of the receipt. In view of the above, the stand taken by the appellant is approved. The impugned orders are thus liable to be set aside.”

27. This Court is also in agreement with the decision of a coordinate Bench in **Charat Singh's case** (supra), wherein a similar view was taken:-

“4. A perusal of the document, which has been placed on record by way of CM No.12403-CII of 2012 as additional evidence, which is also a part of the record before the Tribunal and forms part of Exhibit R-2, clearly shows that this is a mere proposal form. It has been clearly stated in the form that risk



will commence on the date and time of acceptance of risk and/or issue of cover note/policy. It is, therefore, apparent that it is not a policy of the insurance, nor the offending vehicle can be said to have been insured on the basis of this proposal. There is no other evidence on record which could establish that the offending vehicle was insured with respondent No.7-Insurance Company on the date of the accident, i.e., 22.08.2010. Therefore, the finding of the Tribunal holding respondent No.7-Insurance Company not liable to pay the compensation, does not call for any interference.”

28. Under the circumstances, this Court finds no reason to interfere with the findings recorded on the said issue by the MACT.

29. Lastly coming to the quantum, the age of the injured was found to be 24 years. Her income was assessed as Rs.9,000/- per month. The claimant had claimed that at the time of accident, she was working as a Supervisor-cum-Manager in Ceragem Health Care Centre Mohali, earning Rs.10,000/- per month. However, no evidence was produced on record to prove the said employment and income. She did produce on record certificates pertaining to her academic qualification and other courses, which did show that she was a skilled person, having cleared her secondary school examination (Ex.P2), a certificate course in computer application (Ex.P3), certificates showing her having undergone courses in embroidery (Ex.P5 & Ex.P7) and also having undergone a course of beautician (Ex.P8). The MACT, therefore, assessed her to be a skilled worker. Accordingly, her monthly income was assessed at Rs.9,000/-.

30. In the cross-objections, it has been averred that the minimum wages for a highly skilled worker were Rs.10,561/- per month and even for a skilled worker they were Rs.9,529/- per month and not Rs.9,000/- per

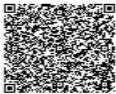


month. This fact has not been controverted. Taking her to be a skilled worker, the income is assessed at Rs.9,500/- per month. Taking an addition of 40% on account of future prospects, the monthly income comes to Rs.13,300/- (9,500+3,800). The annual income, therefore, comes to Rs.1,59,600/- (13,300x12).

31. Coming to the permanent disability, as per PW2 Dr. Sanjeev Kamboj, she had suffered permanent disability to the extent of 27% with regard to her whole body, as her right leg/knee had fractured. The disability certificate was produced on record as Ex.P10. There was nothing stated that there were chances of improvement or not. Considering that the claimant had been treated to be a skilled worker, the functional disability was assessed at 20%. In the considered opinion of this Court, there is no error in the same, as, on account of permanent disability, the claimant would still be able to do a lot of other works and the functional disability would, therefore, be 20%. The loss of income would, therefore, be 20% of Rs.1,59,600/-, which comes to Rs.31,920/-

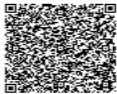
32. The multiplier of 18 was rightly applied, as she was 24 years old. The loss of income on account of the permanent disability would, therefore, come to Rs.5,74,560/- (31920x18).

33. Now coming to the other heads, the compensation on account of pain and suffering deserves to be enhanced to Rs.75,000/- from Rs.30,000/-. Attendant charges were rightly granted at Rs.20,000/-. There is, therefore, no requirement of enhancement in the same. Compensation on account of special diet can be enhanced to Rs.25,000/- from Rs.20,000/-. For transportation Rs.15,000/- were awarded, which, in the considered opinion



of this Court, would be sufficient. No compensation was granted for loss of marriage prospects. In the considered opinion of this Court, a sum of Rs.1,50,000/- would be payable under the said head. The amount for medicines etc. was rightly granted at Rs.21,522/- as per the bills submitted. Future medical expenses were awarded as Rs.20,000/-, which is enhanced to Rs.50,000/- as such injuries require further operations. Under the circumstances, the compensation is re-worked as under:-

Sr. No.	Heads of Claim	Awarded by MACT	Enhanced compensation
	Age	24	24
i.	Income assessed	Rs.9,000/- p.m. (Rs.1,08,000/- p.a.)	Rs.9,500/- p.m. (Rs.1,14,000/- p.a.)
ii.	Future Prospects	40%	No Change
iii.	Multiplier	18	No Change
iv.	Multiplicant	Rs.1,51,200/- (Rs.1,08,000/- +40%)	Rs.1,59,600/- (Rs.1,14,000/- +40%)
v.	Functional disability	20%	20% (No change)
vi.	Pecuniary loss of income due to permanent disability	Rs.5,44,320/- (1,51,200x.2x18)	Rs.5,74,560/- (1,59,600x.2x18)
vii.	Pain and suffering etc.	Rs.30,000/-	Rs.75,000/-
viii.	Attendant charges	Rs.20,000/-	Rs.20,000/- (No change)
ix.	Special diet	Rs.20,000/-	Rs.25,000/-
x.	Transportation charges	Rs.15,000/-	Rs.15,000/- (No change)
xi.	Loss of marriage prospects	Nil	Rs.1,50,000/-
xii.	Medicines	Rs.21522/-	Rs.21,522/- (No change)
xiii.	Future medical expenses	Rs.20,000/-	Rs.50,000/-
Total		Rs.6,70,842/- (Rounded of Rs.6,70,850/-)	Rs.9,31,082/- (Rounded of Rs.9,31,100/-)



34. The total compensation, therefore, comes to Rs.9,31,100/-. After deducting a sum of Rs.6,70,850/- as assessed by the MACT, the balance compensation comes to Rs.2,60,250/-. This amount would be payable in addition to the amount assessed by the learned MACT along with interest @ 7.5% annually. The disbursal and liability to pay the same would be as per the award.

35 In view of the findings on the other issues, the liability to pay the same would be that of the appellants.

36. Consequently, the appeal is dismissed and the cross-objections stand disposed of.

37. Pending application(s), if any, also stands disposed of.

(VIKRAM AGGARWAL)
JUDGE

April 18, 2026
Rajan
uploaded on: 21.04.2026

Whether speaking / reasoned:	Yes
Whether Reportable:	Yes