



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

**FAO-671-2010 (O&M)  
Date of Reserve: 12.11.2025  
Date of Pronouncement: 29.11.25  
Uploaded on: 29.11.2025**

Lakhmi Chand alias Lakhi

.....Appellant

vs.

Ghudchandi and ors.

.....Respondents

**CORAM: HON'BLE MRS. JUSTICE SUDEEPTI SHARMA**

Present: Mr. Pavan Malik, Advocate  
for the appellant.

Mr. Rahul Bansal, Advocate for  
Mr. D.R. Bansal, Advocate  
for respondent No. 3-Insurance Co.

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**SUDEEPTI SHARMA J.**

1. The present appeal has been preferred against the award dated 15.06.2009 passed by the learned Motor Accident Claims Tribunal, Nuh in the claim petition filed under Section 166 of the Motor Vehicles Act, 1988 (for short, 'the Tribunal') for enhancement of compensation granted to the claimant/appellant to the tune of Rs.1,70,000/- along with interest @7.5% per annum, on account of injuries suffered by the appellant in a Motor Vehicular Accident, occurred on 09.11.2006.

2. As sole issue for determination in the present appeal is confined to quantum of compensation awarded by the learned Tribunal, a detailed



narration of the facts of the case is not required to be reproduced here for the sake of brevity.

### **SUBMISSIONS OF LEARNED COUNSEL FOR THE PARTIES**

3. The learned counsel for the claimant-appellant contends that the amount assessed by the learned Tribunal is on the lower side and deserves to be enhanced. Therefore, he prays that the present appeal be allowed and compensation be enhanced as per latest law.

4. Per contra, learned counsel for respondent-Insurance Company, however, vehemently argues that the compensation awarded to the claimant is on the higher side and the appeal deserves to be dismissed.

5. I have heard learned counsel for the parties and perused the whole record of this case with their able assistance.

### **SETTLED LAW ON COMPENSATION**

6. Hon'ble Supreme Court has settled the law regarding grant of compensation with respect to the disability. The Apex Court in the case of **Raj Kumar Vs. Ajay Kumar and Another (2011) 1 Supreme Court Cases 343**, has held as under:-

#### ***General principles relating to compensation in injury cases***

*5. The provision of the Motor Vehicles Act, 1988 ('Act' for short) makes it clear that the award must be just, which means that compensation should, to the extent possible, fully and adequately restore the claimant to the position prior to the accident. The object of awarding damages is to make good the loss suffered as a result of wrong done as far as money can do so, in a fair, reasonable and equitable manner. The court or*



*tribunal shall have to assess the damages objectively and exclude from consideration any speculation or fancy, though some conjecture with reference to the nature of disability and its consequences, is inevitable. A person is not only to be compensated for the physical injury, but also for the loss which he suffered as a result of such injury. This means that he is to be compensated for his inability to lead a full life, his inability to enjoy those normal amenities which he would have enjoyed but for the injuries, and his inability to earn as much as he used to earn or could have earned. (See C.K. Subramonia Iyer v. T. Kunhikuttan Nair, AIR 1970 Supreme Court 376, R.D. Hattangadi v. Pest Control (India) Ltd., 1995 (1) SCC 551 and Baker v. Willoughby, 1970 AC 467).*

6. *The heads under which compensation is awarded in personal injury cases are the following :*

***Pecuniary damages (Special Damages)***

*(i) Expenses relating to treatment, hospitalization, medicines, transportation, nourishing food, and miscellaneous expenditure.*

*(ii) Loss of earnings (and other gains) which the injured would have made had he not been injured, comprising :*

*(a) Loss of earning during the period of treatment;*

*(b) Loss of future earnings on account of permanent disability.*



*(iii) Future medical expenses. Non-pecuniary damages (General Damages)*

*(iv) Damages for pain, suffering and trauma as a consequence of the injuries.*

*(v) Loss of amenities (and/or loss of prospects of marriage).*

*(vi) Loss of expectation of life (shortening of normal longevity).*

*In routine personal injury cases, compensation will be awarded only under heads (i), (ii)(a) and (iv). It is only in serious cases of injury, where there is specific medical evidence corroborating the evidence of the claimant, that compensation will be granted under any of the heads (ii)(b), (iii), (v) and (vi) relating to loss of future earnings on account of permanent disability, future medical expenses, loss of amenities (and/or loss of prospects of marriage) and loss of expectation of life.*

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***19. We may now summarise the principles discussed above :***

*(i) All injuries (or permanent disabilities arising from injuries), do not result in loss of earning capacity.*

*(ii) The percentage of permanent disability with reference to the whole body of a person, cannot be assumed to be the percentage of loss of earning capacity. To put it differently, the percentage of loss of earning capacity is not the same as the percentage of permanent disability (except in a few cases, where the Tribunal on the basis of evidence, concludes that*



*percentage of loss of earning capacity is the same as percentage of permanent disability).*

*(iii) The doctor who treated an injured-claimant or who examined him subsequently to assess the extent of his permanent disability can give evidence only in regard the extent of permanent disability. The loss of earning capacity is something that will have to be assessed by the Tribunal with reference to the evidence in entirety.*

*(iv) The same permanent disability may result in different percentages of loss of earning capacity in different persons, depending upon the nature of profession, occupation or job, age, education and other factors.*

*20. The assessment of loss of future earnings is explained below with reference to the following*

***Illustration 'A'*** : *The injured, a workman, was aged 30 years and earning Rs. 3000/- per month at the time of accident. As per Doctor's evidence, the permanent disability of the limb as a consequence of the injury was 60% and the consequential permanent disability to the person was quantified at 30%. The loss of earning capacity is however assessed by the Tribunal as 15% on the basis of evidence, because the claimant is continued in employment, but in a lower grade. Calculation of compensation will be as follows:*

*a) Annual income before the accident : Rs. 36,000/-.*

*b) Loss of future earning per annum*



*(15% of the prior annual income) : Rs. 5400/-.*

*c) Multiplier applicable with reference to age : 17*

*d) Loss of future earnings : (5400 x 17) : Rs. 91,800/-*

***Illustration 'B' :*** *The injured was a driver aged 30 years, earning Rs. 3000/- per month. His hand is amputated and his permanent disability is assessed at 60%. He was terminated from his job as he could no longer drive. His chances of getting any other employment was bleak and even if he got any job, the salary was likely to be a pittance. The Tribunal therefore assessed his loss of future earning capacity as 75%.*

*Calculation of compensation will be as follows :*

*a) Annual income prior to the accident : Rs. 36,000/- .*

*b) Loss of future earning per annum  
(75% of the prior annual income) : Rs. 27000/-.*

*c) Multiplier applicable with reference to age : 17*

*d) Loss of future earnings : (27000 x 17) : Rs. 4,59,000/-*

***Illustration 'C' :*** *The injured was 25 years and a final year Engineering student. As a result of the accident, he was in coma for two months, his right hand was amputated and vision was affected. The permanent disablement was assessed as 70%. As the injured was incapacitated to pursue his chosen career and as he required the assistance of a servant throughout his life, the loss of future earning capacity was also assessed as 70%.*

*The calculation of compensation will be as follows :*

*a) Minimum annual income he would  
have got if had been employed as an*



<i>Engineer</i>	<i>: Rs. 60,000/-</i>
<i>b) Loss of future earning per annum (70% of the expected annual income)</i>	<i>: Rs. 42000/-</i>
<i>c) Multiplier applicable (25 years)</i>	<i>: 18</i>
<i>d) Loss of future earnings : (42000 x 18)</i>	<i>: Rs. 7,56,000/-</i>

*[Note : The figures adopted in illustrations (A) and (B) are hypothetical. The figures in Illustration (C) however are based on actuals taken from the decision in Arvind Kumar Mishra (supra)].*

7. Hon'ble Supreme Court in the case of **National Insurance Company Ltd. Vs. Pranay Sethi & Ors.** [(2017) 16 SCC 680] has clarified the law under Sections 166, 163-A and 168 of the Motor Vehicles Act, 1988, on the following aspects:-

- (A) Deduction of personal and living expenses to determine multiplicand;
- (B) Selection of multiplier depending on age of deceased;
- (C) Age of deceased on basis for applying multiplier;
- (D) Reasonable figures on conventional heads, namely, loss of estate, loss of consortium and funeral expenses, with escalation;
- (E) Future prospects for all categories of persons and for different ages: with permanent job; self-employed or fixed salary.

The relevant portion of the judgment is reproduced as under:-



“ Therefore, we think it seemly to fix reasonable sums. It seems to us that reasonable figures on conventional heads, namely, loss of estate, loss of consortium and funeral expenses should be Rs.15,000, Rs.40,000 and Rs.15,000 respectively. The principle of revisiting the said heads is an acceptable principle. But the revisit should not be fact-centric or quantum-centric. We think that it would be condign that the amount that we have quantified should be enhanced on percentage basis in every three years and the enhancement should be at the rate of 10% in a span of three years. We are disposed to hold so because that will bring in consistency in respect of those heads.”

8. Hon’ble Supreme Court in the case of **Erudhaya Priya Vs. State Express Tran. Corpn. Ltd. 2020 ACJ 2159**, has held as under:-

“ 7. There are three aspects which are required to be examined by us:

**(a) the application of multiplier of '17' instead of '18';**

The aforesaid increase of multiplier is sought on the basis of age of the appellant as 23 years relying on the judgment in *National Insurance Company Limited v. Pranay Sethi and Others*, 2017 ACJ 2700 (SC). In para 46 of the said judgment, the Constitution Bench effectively affirmed the multiplier method to be used as mentioned in the table in the case of *Sarla Verma (Smt) and Others v. Delhi Transport*



*Corporation and Another, 2009 ACJ 1298 (SC) . In the age group of 15-25 years, the multiplier has to be '18' along with factoring in the extent of disability.*

*The aforesaid position is not really disputed by learned counsel for the respondent State Corporation and, thus, we come to the conclusion that the multiplier to be applied in the case of the appellant has to be '18' and not '17'.*

***(b) Loss of earning capacity of the appellant with permanent disability of 31.1%***

*In respect of the aforesaid, the appellant has claimed compensation on what is stated to be the settled principle set out in Jagdish v. Mohan & Others, 2018 ACJ 1011 (SC) and Sandeep Khanuja v. Atul Dande & Another, 2017 ACJ 979 (SC). We extract below the principle set out in the Jagdish (supra) in para 8:*

*"8. In assessing the compensation payable the settled principles need to be borne in mind. A victim who suffers a permanent or temporary disability occasioned by an accident is entitled to the award of compensation. The award of compensation must cover among others, the following aspects:*

- (i) Pain, suffering and trauma resulting from the accident;*
- (ii) Loss of income including future income;*
- (iii) The inability of the victim to lead a normal life together with its amenities;*



- (iv) *Medical expenses including those that the victim may be required to undertake in future; and*
- (v) *Loss of expectation of life."*

*[emphasis  
supplied]*

*The aforesaid principle has also been emphasized in an earlier judgment, i.e. the Sandeep Khanuja case (supra) opining that the multiplier method was logically sound and legally well established to quantify the loss of income as a result of death or permanent disability suffered in an accident.*

*In the factual contours of the present case, if we examine the disability certificate, it shows the admission/hospitalization on 8 occasions for various number of days over 1½ years from August 2011 to January 2013. The nature of injuries had been set out as under:*

***"Nature of injury:***

- (i) *compound fracture shaft left humerus*
- (ii) *fracture both bones left forearm*
- (iii) *compound fracture both bones right forearm*
- (iv) *fracture 3rd, 4th & 5th metacarpals right hand*
- (v) *subtrochanteric fracture right femur*
- (vi) *fracture shaft femur*
- (vii) *fracture both bones left leg*

*We have also perused the photographs annexed to the petition showing the current physical state of the appellant, though it is stated by learned counsel for the respondent State Corporation that the same was not on*



*record in the trial court. Be that as it may, this is the position even after treatment and the nature of injuries itself show their extent. Further, it has been opined in para 13 of Sandeep Khanuja case (supra) that while applying the multiplier method, future prospects on advancement in life and career are also to be taken into consideration.*

*We are, thus, unequivocally of the view that there is merit in the contention of the appellant and the aforesaid principles with regard to future prospects must also be applied in the case of the appellant taking the permanent disability as 31.1%. The quantification of the same on the basis of the judgment in National Insurance Co. Ltd. case (supra), more specifically para 61(iii), considering the age of the appellant, would be 50% of the actual salary in the present case.*

***(c) The third and the last aspect is the interest rate claimed as 12%***

*In respect of the aforesaid, the appellant has watered down the interest rate during the course of hearing to 9% in view of the judicial pronouncements including in the Jagdish's case (supra). On this aspect, once again, there was no serious dispute raised by the learned counsel for the respondent once the claim was*



*confined to 9% in line with the interest rates applied by this Court.*

**CONCLUSION**

*8. The result of the aforesaid is that relying on the settled principles, the calculation of compensation by the appellant, as set out in para 5 of the synopsis, would have to be adopted as follows:*

<b>Heads</b>	<b>Awarded</b>
<i>Loss of earning power (Rs.14,648 x 12 x 31.1/100)</i>	<i>Rs. 9,81,978/-</i>
<i>Future prospects (50 per cent addition)</i>	<i>Rs.4,90,989/-</i>
<i>Medical expenses including transport charges, nourishment, etc.</i>	<i>Rs.18,46,864/-</i>
<i>Loss of matrimonial prospects</i>	<i>Rs.5,00,000/-</i>
<i>Loss of comfort, loss of amenities and mental agony</i>	<i>Rs.1,50,000/-</i>
<i>Pain and suffering</i>	<i>Rs.2,00,000/-</i>
<b>Total</b>	<b>Rs.41,69,831/-</b>

*The appellant would, thus, be entitled to the compensation of Rs. 41,69,831/- as claimed along with simple interest at the rate of 9% per annum from the date of application till the date of payment.*

9. A perusal of the record shows that the appellant was 35 years of age at the time of the accident and was stated to be earning Rs.10000/- per month from Ayurvedic and Unani medical practice. It is not in dispute that the appellant met with an accident on 09.11.2006 and due to accident, his



left leg became shortened and disfigured. The claimant/appellant suffered 35% permanent disability, as per Disability Certificate (Ex P-18).

10. A further perusal shows that the learned tribunal has not applied the multiplier system while calculating the compensation. Furthermore, the learned Tribunal has erred in awarding lump sum compensation of Rs.50,000 under the heads of loss of earning during hospitalisation and recovery, as well as future loss of earning without assessing any monthly income of the claimant.

11. Even if the learned Tribunal had assessed the income of the claimant as per the minimum wages prevalent in the state of Haryana at the relevant point of time, it would have been Rs.4160/- per month but since the claimant has been stated to be a highly qualified Ayurvedic and Unani medical practitioner therefore, the income of the claimant has to be assessed after considering his academic qualification as well. Reference at this stage can be made to a judgment of Hon'ble Apex Court in a case of **Sharad Singh (dead) through LR. v. H.D. Narang, 2025 INSC 1164** has observed that academic qualifications should also be considered while assessing the income of the claimant while calculating just compensation as mandated under the Motor Vehicles Act. The relevant extract of the same is reproduced as under:-

*“5. We were not convinced that the minimum wages would be determined on the basis of the educational qualification alone without reference to the nature of work carried on. The learned Counsel after further verification submitted that minimum wages adopted is of*



*the year 2001 applicable to a skilled worker. We are not convinced that even that can be adopted for a graduate who was in the process of sitting for the Chartered Accountant examination which would have placed him in a good employment with immense prospects. The aspirations of the young man were shattered by the accident which left him paraplegic and fighting for breath, which also prompted the parents to relocate to another part of the country. We are of the opinion that even if he had not obtained the certificate as a Chartered Accountant, upon graduation, he could have been employed as an Accountant, who would have, on any reasonable estimate, received an amount of Rs.5,000/- as monthly income in the year 2001.”*

12. In view of the above judgment and after careful consideration of all the documentary and oral evidence, including the copy of certificate issued by Registrar, State Council of Ayurvedic and Unani Medicines (Mark A-22), and the certificate of Government Ayurvedic and Unani Medicines Council, Bihar (Mark A-33), which clearly proves that the claimant is qualified to be a Ayurvedic medical practitioner. Consequently, it is difficult to deviate from the conclusion that the claimant is a Ayurvedic and Unani Medicines practitioner. Therefore, after taking into consideration the minimum wages at the relevant time for highly skilled worker in the state of Haryana and educational qualification of the appellant, this Court deems it



appropriate to assess the monthly income of the claimant as Rs.10000/- per month.

13. A further perusal of the award shows that the learned tribunal has rightly awarded Rs.70,000 on account of 35% permanent disability. It is a trite law that the grant of compensation for loss of future income is a distinct head from the one under which compensation is granted for permanent disability. The same is reiterated by Hon'ble the Supreme Court of India in a case of **KAVIN vs. P. SREEMANI DEVI & ORS., 2025 INSC 1028**. The relevant portion of the same is reproduced as under:-

*13. The Claims Tribunal further granted an amount of Rs. 3 lacs towards permanent disability suffered by the claimant. This was after taking into consideration the 100% disability suffered by the claimant. The High Court however set aside the grant of compensation under this head by observing that as compensation towards loss of income had been granted, further amount of Rs. 3 lacs towards permanent disability was not admissible. We do not find any basis whatsoever for this approach of the High Court. The grant of compensation for loss of future income is a distinct head from the one under which compensation is granted for permanent disability. In the light of the fact that the claimant suffered 100% permanent disability and was living in a vegetative state, the High Court was not justified in setting aside the grant of compensation under this head. In our view, considering the nature of*



*disability suffered by the claimant, he would be entitled to amount of Rs. 5 lacs under this head.”*

14. A perusal of the award further reveals that amount awarded for transportation charges, special diet, loss of amenities of life and pain and suffering is on the lower side and the same is liable to be enhanced. Therefore, the award requires indulgence of this court.

**RELIEF**

15. In view of the above, the present appeal is allowed and award dated 15.06.2009 is modified. Accordingly, as per the settled principles of law as laid down by Hon'ble Supreme Court as mentioned above, the appellant-claimant is held entitled to the enhanced amount of compensation as calculated below:-

Sr. No.	Heads	Compensation Awarded
1.	Income	Rs.10000/- per month
2.	Loss of Future Prospect 40%	Rs.4000/-(10000X40%)
3.	Annual Income	Rs.1,68,000/- (14000 X12)
4.	Loss of future earning on account of 35% disability	Rs.58,800/- (35% of 1,68,000)
5.	Multiplier of 16	Rs.9,40,800/- (58800X16)
6.	Medical Expenses	Rs.30,000/-
7.	On account of 35% permanent disability	Rs.70,000/-
8.	Pain and suffering	Rs.2,00,000/-
9.	Attendant Charges	Rs.60,000/-
10.	Transportation Charges	Rs.30,000/-
11.	Loss of amenities of life	Rs.1,00,000/-
12.	Special Diet	Rs.40,000/-
	<b>Total compensation awarded:-</b>	<b>Rs.14,70,800/-</b>



	<b>Deduction:-</b> Amount awarded by Tribunal	<b>Rs.1,70,000/-</b>
	<b>Enhanced amount of compensation</b>	<b>Rs.13,00,800/- (1450800- 170000)</b>

16. So far as the interest part is concerned, as held by Hon'ble Supreme Court in *Dara Singh @ Dhara Banjara Vs. Shyam Singh Varma* 2019 ACJ 3176 and *R.Valli and Others VS. Tamil Nadu State Transport Corporation* (2022) 5 Supreme Court Cases 107, the appellant-claimant is granted the interest @ 9% per annum on the enhanced amount from the date of filing of claim petition till the date of its realization.

17. Respondent-Insurance Company is directed to deposit the enhanced amount of compensation along with interest with the Tribunal within a period of two months from the receipt of copy of this judgment. The Tribunal is directed to disburse the enhanced amount of compensation along with interest in the account of the claimant, as per award dated 15.06.2009. The claimant is directed to furnish his bank account details to the Tribunal.

18. Pending applications, if any, also stand disposed of.

**29.11.2025**  
Gaurav Arora

**(SUDEEPTI SHARMA)**  
**JUDGE**

Whether speaking/non-speaking : Yes/No  
Whether reportable : Yes