



**FAO No.2004 of 2022 (O&M) and
FAO No.735 of 2025 (O&M)**

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

Date of Decision: 28.08.2025

Date of Reserve: 31.07.2025

1. FAO No.2004 of 2022 (O&M)
NEW INDIA ASSURANCE COMPANY LTDAppellant(s)
Vs
ALISHA AND OTHERSRespondent(s)

2. FAO No.735 of 2025 (O&M)
ALISHAAppellant(s)
Vs
RAM SARUP AND OTHERSRespondent(s)

CORAM: HON'BLE MR. JUSTICE HARKESH MANUJA

Present: Mr. Paul S. Saini, Advocate
for the appellant in FAO No.2004 of 2022 and
for respondent No.5 in FAO No.735 of 2025.

Mr. Mohit Sadana, Advocate
for the appellant in FAO No.735 of 2025 and
for respondent No.1 in FAO No.2004 of 2022.

HARKESH MANUJA, J.

CM No.2279-CII of 2025 in FAO No.735 of 2025

This is an application seeking condonation of delay of 767 days in filing the appeal.

Notice of the application was issued on 30.04.2025, however no reply has been filed on behalf of respondent No.5-Insurance Company.

Upon hearing learned counsel for the parties and for the reasons mentioned in the application which is supported by an affidavit, the same is allowed and delay of 767 days in filing the appeal is hereby condoned.



**FAO No.2004 of 2022 (O&M) and
FAO No.735 of 2025 (O&M)**

FAO No.2004 of 2025 (O&M) and FAO No.735 of 2025 (O&M)

[1]. Vide this common judgment, the above noted two appeals, bearing FAO No. 2004 of 2022 and FAO No. 735-2025 are being disposed of as both the appeals lay challenge to the Award dated 10.02.2022 passed by the learned Motor Accident Claims Tribunal, Sangrur (hereinafter to be referred as “the Tribunal”), whereby an amount of Rs.22.89,726/- was awarded as compensation to the appellant/claimant along with interest @ 7.5% per annum. However, facts are being culled out from FAO No.735 of 2025 for reference.

Brief facts

[2]. Appellant-Alisha (claimant), filed claim petition through her mother before learned Tribunal, praying for grant of compensation to the tune of Rs.5,30,000/- along with interest @ 18% per annum on account of injuries suffered by her in a motor vehicular accident which took place on 24.04.2002 while alleging rash and negligent driving by respondent No.1/driver. The said claim petition was decided vide award dated 17.03.2004 passed by the learned Tribunal thereby granting compensation to the tune of Rs.1 lakh in favour of the claimant. Thereafter in an appeal preferred against the inadequacy of the said award, the matter was remanded back to the learned Tribunal for re-assessment of quantum of compensation keeping in view the disability suffered by the claimant vide order dated 02.12.2021 passed by this Court in FAO No.3815 of 2004.

[3]. The learned Tribunal, after appraisal of evidence on record, held that the accident occurred due to rash and negligent driving of respondent No.1-driver (Ram Sarup) and after assessing income of claimant @ Rs.2500/- per month equating it with that of unskilled labourer, assessed compensation in the following manner:-



**FAO No.2004 of 2022 (O&M) and
FAO No.735 of 2025 (O&M)**

S.No	Heads of Claim	Amount
1	Annual Income (2500 x 12)	Rs.30,000/-
2.	Future Prospects (40%)	Rs.42,000/-
3.	Multiplier	18
4.	Loss of future earning	Rs.7,56,000/-
5.	Expenses on actual treatment	Rs.35,726/-
6.	Transportation Charges	Rs.50,000/-
7.	Attendant Charges	Rs.6,48,000/-
8.	Pain, suffering, loss of amenities	Rs.5,00,000/-
9.	Loss of marriage prospects	Rs.3,00,000/-
	Total	Rs.22,89,726/-

With regard to the liability, learned Tribunal held that respondent No.5/Insurance Company (appellant herein) was liable to pay the amount of compensation.

[4]. Being aggrieved against the award dated 10.02.2022 passed by the learned Tribunal, the present appeals were preferred by the appellant-respondent/ Insurance Company for reduction of compensation and appellant-Alisha (claimant) for setting aside the same as well as for enhancement of compensation. Facts as specified in the claim petition about the manner of accident are not being repeated here for the sake of brevity.

Arguments

[5]. Learned counsel for the appellant/claimant assailed the award while submitting that in the given facts, the compensation assessed by the learned



**FAO No.2004 of 2022 (O&M) and
FAO No.735 of 2025 (O&M)**

Tribunal was on the lower side. It was further submitted that the appellant/claimant on attaining the age of majority, by all means would have earned more than Rs.2,500/- per month. He further contended that the appellant/claimant suffered permanent disability to the extent of 90% and the amount awarded for pain and suffering and attendant charges was on lower side; also no amount was granted for future medical expenses and special diet. Therefore, learned counsel prayed that the present appeal be allowed and compensation be enhanced, as per latest decisions on the subject.

[6]. Per contra, learned counsel for the appellant/Insurance Company, vehemently argued that the impugned award was highly excessive and contended that the learned Tribunal fell in error while awarding a whopping sum of Rs.22,89,726/- as compensation and as such the same was liable to be set aside.

[7]. I have heard learned counsel for the parties and perused the paper books of the cases. I find force in the arguments advanced by the learned counsel for the appellant-Alisha (claimant).

Discussion

[8]. Before determining the quantum of compensation, it is essential to draw guidance from the principles laid down by the Hon'ble Apex Court, in similar case(s). In **Raj Kumar vs. Ajay Kumar and Ors.** reported as **“(2011) 1 SCC 343”** the Hon'ble Apex Court laid down the heads under which compensation is to be awarded for personal injuries. Paragraph No. 6 thereof being relevant is extracted hereunder:-

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

Pecuniary damages (Special damages)



**FAO No.2004 of 2022 (O&M) and
FAO No.735 of 2025 (O&M)**

- (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, the 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”.

Loss of Future Income

[9]. A perusal of the record reveals that the appellant/claimant was 5-6 years of age at the time of the accident and had attained the age of majority i.e. 18 years in 2017. Accordingly, learned Tribunal assessed the monthly income of the claimant @ Rs.2500/- per month as equated with unskilled labourer. In this regard, the observations made by the Hon'ble Apex Court in case of **“Kajal vs. Jagdish Chand and Ors.** reported as **“(2020) 4 SCC 413”** to the effect that in such cases, taking of notional income is not the correct approach; instead, the minimum wages



**FAO No.2004 of 2022 (O&M) and
FAO No.735 of 2025 (O&M)**

payable to a skilled workman in the concerned State has to be taken into consideration. Relevant para from this judgment is reproduced hereunder:-

“20. Both the courts below have held that since the girl was a young child of 12 years only notional income of Rs.15,000/- per annum can be taken into consideration. We do not think this is a proper way of assessing the future loss of income. This young girl after studying could have worked and would have earned much more than Rs.15,000/- per annum. Each case has to be decided on its own evidence but taking notional income to be Rs.15,000/- per annum is not at all justified. The appellant has placed before us material to show that the minimum wages payable to a skilled workman is Rs. 4846/- per month. In our opinion this would be the minimum amount which she would have earned on becoming a major. Adding 40% for the future prospects, it works to be Rs.6784.70/- per month, i.e. Rs.81,412.80 per annum. Applying the multiplier of 18 it works out to Rs. 14,65,430.40, which is rounded off to Rs.14,66,000/-.”

[9.1]. Applying the aforesaid legal position and considering the facts of the present case, the birth year of the appellant/claimant being 1999 and she having attained the age of majority i.e. 18 years in 2017, the minimum wages for skilled labour in 2017 as per the notification issued by the office of Deputy Commissioner, Ludhiana being Rs.9529/-, thus in the considered opinion of this Court the income of the appellant/claimant is assessed @ Rs.9529/- per month.

Compensation for Pain and Sufferings

[10]. For assessing just compensation under the head of pain and sufferings, reference may be drawn to the decision of the Hon’ble Supreme Court in **K. Murlidhar vs. R. Subbulakshmi & Anr.**, reported as “**2024 INSC 886**”, wherein it was held that the award of compensation under non-pecuniary heads must be



**FAO No.2004 of 2022 (O&M) and
FAO No.735 of 2025 (O&M)**

reasonable and commensurate with gravity of the injuries suffered; the extent of disability; the duration of hospitalization, and the mental and physical agony endured by the claimant. Relevant portion of the same is reproduced as under:-

“15. Keeping in view the above-referred judgments, the injuries suffered, the ‘pain and suffering’ caused, and the life-long nature of the disability afflicted upon the claimant-appellant, and the statement of the Doctor as reproduced above, we find the request of the claimant-appellant to be justified and as such, award Rs.15,00,000/- under the head ‘pain and suffering’, fully conscious of the fact that the prayer of the claimant-appellant for enhancement of compensation was by a sum of Rs.10,00,000/-, we find the compensation to be just, fair and reasonable at the amount so awarded.”

[10.1]. Further reliance can be made to the judgment of the Hon’ble Apex Court in **Baby Sakshi Greola v. Manzoor Ahmad Simon &Ors.**, reported as **“2025 (I) RCR (Civil) 238”**, wherein the victim was a 7 year old female child who had sustained grievous injuries. The learned Tribunal initially awarded a sum of Rs.50,000/- towards pain and suffering, which was enhanced to Rs. 12,00,000/- by the High Court, and ultimately, the Hon’ble Supreme Court further enhanced the same to Rs.15,00,000/-, recognizing the profound physical and emotional trauma suffered by the minor.

[10.2]. In view of the settled law laid down by the Hon’ble Apex Court in **Muralidhar’s case** (supra) and taking into account the peculiar facts and circumstances of the present case, especially when as per the deposition of CW-16 SMO Rajindra Hospital, Patiala, Dr. Harbagh Singh, the appellant sustained serious head injury, she was unable to speak, walk and had impaired vision as well as



**FAO No.2004 of 2022 (O&M) and
FAO No.735 of 2025 (O&M)**

decreased movement of right arm. Regarding Neurological examination, the Doctor deposed that the claimant was found to be having 'partial 3rd nerve palsy right eye'. More than that, upon examination of the appellant by the Board of Doctors, Department of Psychiatry, PGI Chandigarh (CW-18) proved the disability certificate Ex.CX. as per which, she was found to be having 90% permanent mental disability and her IQ level was found to be equal to that of 3-4 years old child though the Board of Doctors examined her on 13-12-2018 i.e. when she was more than 20 years of age, this Court is of the opinion that an amount of Rs.15,00,000/- is just and fair compensation to be awarded under the head of pain and sufferings.

Attendant Charges

[11]. So far as attendant charges are concerned, the Hon'ble Apex Court in **Kajal's case** (supra) held that to determine the attendant charges, multiplier system should be applied. Relevant paragraph of the aforesaid judgment is culled out hereunder:-

*"22. The attendant charges have been awarded by the High Court at the rate of Rs. 2,500 per month for 44 years, which works out to Rs. 13,20,000. Unfortunately, this system is not a proper system. Multiplier system is used to balance out various factors. When compensation is awarded in lump sum, various facts are taken into consideration. When compensation is paid in lump sum, this Court has always followed the multiplier system. The multiplier system should be followed not only for determining the compensation on account of loss of income but also for determining the attendant charges etc. This system was recognized by this Court in **Gobald Motor Service Ktd. Vs. R.M.K Veluswami, 1958-65 ACJ 179 (SC)**. The multiplier system factors in the inflation rate, the rate of interest payable on the lump sum award, the longevity of the claimant, and also other issues such as the uncertainties of life. Out of all the various alternative methods, the multiplier method has been recognized as the most realistic and*



**FAO No.2004 of 2022 (O&M) and
FAO No.735 of 2025 (O&M)**

reasonable method. It ensures better justice between the parties and thus results in award of 'just compensation' within the meaning of the Act.

23. xxxx

24. xxxx

25. *Having held so, we are clearly of the view that the basic amount taken for determining attendant charges is very much on the lower side. We must remember that this little girl is severely suffering from incontinence meaning that she does not have control over her bodily functions like passing urine and faeces. As she grows old, she will not be able to handle her periods. She requires an attendant virtually 24 hours a day. She requires an attendant who though may not be medically trained but must be capable of handling a child who is bedridden. She would require an attendant who would ensure that she does not suffer from bed sores. The claimant has placed before us a notification of the State of Haryana of the year 2010, wherein the wages for skilled labourer is Rs.4,846/- per month. We, therefore, assess the cost of one attendant at Rs.5,000/- and she will require two attendants which works out to Rs.10,000/- per month, which comes to Rs.1,20,000/- per annum, and using the multiplier of 18 it works out to Rs.21,60,000/- for attendant charges for her entire life. This takes care of all the pecuniary damages."*

[11.1]. Taking into consideration the ratio laid down in the aforesaid judgment and in the peculiar facts and circumstances of the present case including the age of the appellant/claimant, the extent of disability and the foreseeable requirement of life long assistance, it would be just, fair and reasonable to award a lump sum amount of Rs. 20,00,000/- towards attendant charges as a pragmatic and compensatory measure.

Future Medical Treatment

[12]. As has been referred to hereinabove, the respondent-claimant would have to be under the supervision of a full-time skilled attendant. Further, Dr. Subha



**FAO No.2004 of 2022 (O&M) and
FAO No.735 of 2025 (O&M)**

Chakrabarti (CW-18) has opined that though the claimant is able to walk now, yet, her right upper and lower limbs have been affected due to which her movement is not as that of a normal person. Faced with such a situation, the family of the appellant/claimant must be financially equipped to deal with the medical conditions, current and potential. It would, therefore, be appropriate to grant compensation of Rs.5,00,000/- under this head.

Loss of Marriage Prospects

[13]. The Tribunal has awarded Rs.3,00,000/- for loss of marriage prospects. This court finds that the same needs to be enhanced to Rs.5,00,000/-.

Conclusion

[14]. In view of what has been discussed hereinabove, the respondent/claimant shall be entitled for the grant of compensation in the following manner:-

Sr.No.	Nature	Amount in Rupees
1.	<i>Annual Income of deceased</i>	<i>Rs.1,14,348/-</i>
2.	<i>Add 50% of Future prospects</i>	<i>Rs.57,174/-</i>
3	<i>Total Income (Rs.1,14,348/- + Rs.57,174)</i>	<i>Rs.1,71,522/-</i>
4.	<i>Loss of future earning 100%</i>	<i>Rs.1,71,522/-</i>
5.	<i>Loss of future earning after applying multiplier of 18 (Rs.1,71,522, x 18)</i>	<i>Rs.30,87,396/-</i>
6.	<i>Pain and Suffering</i>	<i>Rs.15,00,000/-</i>
7.	<i>Attendant Charges</i>	<i>Rs.20,00,000/-</i>
8.	<i>Medical Expenses/Future Medical Treatment</i>	<i>Rs.5,00,000/-</i>



**FAO No.2004 of 2022 (O&M) and
FAO No.735 of 2025 (O&M)**

9.	<i>Loss of Marriage Prospects</i>	<i>Rs.5.00,000/-</i>
	<i>Total Compensation</i>	<i>Rs.75,87,396/-</i>
	<i>Amount Awarded by the Tribunal</i>	<i>Rs.22,89,726/-</i>
	<i>Enhanced Amount</i>	<i>Rs.52,97,670/-</i>

[15]. The grant of interest @ 7.5% per annum is not just in view of the facts and circumstances of the present case; rather as per the observations made by the Hon'ble Supreme Court in *Smt. Supe Dei and others Vs. National Insurance Company Limited and other, (2009) (4) SCC 513* approved in a subsequent judgment titled as *Puttamma and others Vs. K.L. Narayana Reddy and another, 2014 (1) RCR (Civil) 443*, interest @ 9% per annum is granted on the amount of compensation awarded to the claimant from the date of institution of claim petition till its realization. Needless to mention here that the amount of compensation already paid to the claimant shall be deducted from the enhanced compensation.

[16]. Accordingly, the appeal filed at the instance of Insurance Company is dismissed and the appeal filed at the instance of appellant-Alisha is disposed of with the aforesaid modification of the award passed by the learned Tribunal.

[17]. Pending miscellaneous application(s) if any, shall also stand disposed of.

August 28, 2025

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(HARKESH MANUJA)

JUDGE

Whether speaking/reasoned

Yes/No

Whether reportable

Yes/No