



FAO-2898-2006 (O&M)

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

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**FAO-2898-2006 (O&M)**

**Date of Decision: May 08, 2025**

**Cholamandalam General Insurance Company Ltd. ....Appellant**

**Vs.**

**Jasbir Singh and another**

**.....Respondents**

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

Present: Mr. Deepak Goyat, Advocate for  
Mr. Ashwani Talwar, Advocate for the appellant.

Mr. Ishaan Cooner, Advocate for  
Mr. J.S. Cooner, Advocate  
for respondent No.1

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**SUDEEPTI SHARMA J. (ORAL)**

The present appeal has been filed by the appellant-Insurance company against the Award dated 16.01.2006 passed in the claim petition under Section 163-A of the Motor Accident Claims Tribunal, Jalandhar (for short, 'the Tribunal'), wherein the appellant-Insurance company was fastened with the liability to pay the compensation to the claimants to the tune of Rs.1,25,000/- along with interest @ 9% per annum.

**BRIEF FACTS OF THE CASE**

2. The brief facts of the case are that on 6.10.2003, Jasbir Singh appellant was going from Jalandhar to Adampur while driving Freedom Motor Cycle No.PB-08-AL 8782 and Gurmit Singh was the pillion rider. At about 4.30 p.m, when they reached near village Gazipur on Jalandhar-Hoshiarpur



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Road, the motor-cycle struck against the tractor-trolley. Both the occupants of the motor-cycle suffered multiple simple and grievous injuries. The claimant sustained fracture of both knee joints and fracture of left femur besides fracture of mandibles resulting in uprooting of three teeth. He was taken to Milani Hospital, Adampur from where he was referred to Civil Hospital, Adampur. Then he was referred to Johal Hospital, Jalandhar. Traction was applied for one day, plates have been inserted in both the knee joints and k-nailing of left femur. The claimant remained confined to bed because of the accident.

3. Upon notice of the claim petition, appellant-Insurance Company and owner of offending vehicle appeared and filed written statement denying the factum of compensation/accident.

4. From the pleadings of the parties, the Tribunal framed the following issues:-

*1. Whether the claimant suffered injuries due to use of motor-cycle No.PB-08-AL-8782 on 6.10.2003 ? OPP*

*2. Whether the claim petition is not maintainable ? OPR*

*3. Whether the petition is bad for mis-joinder and non-joinder of necessary parties ? OPR*

*4. Whether the driver of the motor-cycle was not having a valid driving licence at the time of accident?OPR*

*5. To what amount the claimant is entitled to compensation and from whom?OPP*

*6. Relief.*



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5. After taking into consideration the pleadings and the evidence on record, the learned Tribunal has awarded compensation to the claimant. However, the liability to pay the compensation was fastened upon the appellant-Insurance Company.

**SUBMISSIONS OF LEARNED COUNSELS FOR THE PARTIES**

6. Learned counsel for the appellant-Insurance Company contends that since the claim petition was filed under Section 163-A of the Motor Vehicle Act, 1988 and the income of the injured/claimant was more than Rs.40,000/- per annum, therefore, claimant was not entitled to any compensation. Therefore, he prays that the present appeal be allowed and award passed by learned Tribunal be set aside.

7. Per contra, learned counsel for respondent No.1 argues on the lines of the award and contends that the claim petition has rightly been allowed. Therefore, he prays for dismissal of the appeal.

8. I have heard learned counsel for the parties and perused the whole record of the case.

9. The relevant portion of the award is reproduced as under:-

*24. This claim petition has been filed by the applicant under Section 163-A of the Motor Vehicle Act and the compensation is to be assessed by the Tribunal keeping in view the parameters given in the Schedule attached to Motor Vehicle Act. It has been proved on the record that the applicant suffered fracture of femur and tibia which is a grievous injury. Therefore, the applicant is entitled to an amount of Rs.5000/- as compensation towards pain and suffering because of this grievous injury. Dr.B.S. Johal has deposed that he charged approximately Rs.26000 to 27000/-*



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*for the treatment of the patient. No document has been placed on the record with regard to the expenditure on the medical treatment of applicant Jasbir Singh, However, keeping in view the nature of injuries received by the applicant coupled with the factum that he remained admitted in the Hospital for a period of 12 days, I find it difficult to accept the contention of the respondent that the expenditure on treatment stated by Dr. B. S. Johal is excessive or exaggerated, In this view of the matter, the applicant is entitled to an amount of Rs.25,000/- towards expenditure on his medical treatment.*

25. x x x x x

*26. The applicant has stated that he was getting monthly salary of Rs.5000/- while working as electrician with M/s. Navreet Enterprises. Besides the statement of applicant there is no other evidence with regard to his earnings. This Court cannot overlook this fact that generally the claimants have the tendency to inflate the figure of earnings in order to get the maximum compensation. In the absence of any cogent and convincing evidence on the record, I assess the monthly income of the injured to Rs.2500/- after taking into account the wages of a daily wage labourer. After taking into account the monthly income of the injured to be Rs.2500/- per month and the extent of disability suffered by him. I assess the entitlement of the applicant to get compensation with regard to partial disability to the tune of Rs.500/- per month. Keeping in view the age of the injured, applying a multiplier of '15' would meet the ends of justice. Therefore, applicant would be entitled to an amount of Rs.500 x 12 x 15 Rs. 90,000/- towards compensation in*



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*respect of partial disablement suffered by him, in this non-fatal accident.”*

10. A perusal of the above award reveals that the learned Tribunal has duly considered the material on record and rightly held the claimant entitled to compensation. Although the claimant asserted that at the time of accident he was earning Rs.5,000/- per month as an electrician with M/s. Navreet Enterprises, no documentary or corroborative evidence was led to substantiate the claim. In the absence of any salary slip, appointment letter, or testimony from the employer, the learned Tribunal rightly did not rely solely upon the self-serving statement of the claimant and assessed his monthly income @ Rs.2500/- as of daily wage labourer/unskilled labour.

11. It is a well-settled principle of law, as held by this Court case titled as ***Satpal v. Daljit***, passed in ***FAO No. 407 of 2006***, that there exists a general tendency on the part of the claimants or their representatives to exaggerate income in order to seek higher compensation. This Court, therefore, emphasized the necessity of basing income assessment on reliable evidence or, in its absence, on notional income derived from minimum wages norms. The relevant extracts of the same is reproduce as under:-

*“13. The claim petitions are drafted by the Advocates and it is standard practice to state the maximum earnings and amount of compensation in the pleadings. The Court/Tribunal should appreciate the evidence led on oath, rather than strictly adhering to the pleadings. The present claim petition was dismissed solely on the stated earning of Rs.6,000/- in the pleadings, completely discarding the evidence presented. This indicates a manifest failure to apply judicial mind. Therefore, the present appeal is allowed. The appellant/claimant is granted*



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*compensation under Section 163-A by taking his income to be Rs.3,000/- per month. ”*

12. Further, it is trite law that in the absence of cogent and reliable evidence regarding the income of the claimant, the Court may assess the income based on minimum wages applicable to unskilled or semi-skilled labourer, as the case may be. In the present case, the learned Tribunal, relying on this principle, rightly assessed the monthly income of the claimant as Rs. 2,500/-.

13. In view of the above discussion and the well-reasoned findings of the Tribunal, this Court finds no ground to interfere with the award and the same is hereby upheld.

14. Consequently, the present appeal, being devoid of any merit, stands dismissed.

15. The Insurance Company is hereby directed to disburse the current scheduled fee to Mr. Ashwani Talwar, Advocate within a period of 20 days from the date of receipt of the copy of this order, in view of the order dated 18.07.2024 passed in FAO No.1682 of 2007, by this Court.

16. Pending application(s), if any, also stand disposed of.

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

May 08, 2025  
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Whether speaking/reasoned: Yes / No  
Whether reportable: Yes / No