



2026:CGHC:26430



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**AFR****HIGH COURT OF CHHATTISGARH AT BILASPUR****MAC No. 213 of 2022****Order Reserved on 01.05.2026****Order Pronounced on 29.06.2026****Order (Full) Uploaded on 29.06.2026**

**1** - Gopi Sahni S/o Prabhulal Sahni Aged About 45 Years R/o Prabhu Band Party, Main Road, Tahsil And Ps- Arang, District Raipur Chhattisgarh. (Driver Of Vehicle No. Cg 04 B 6827-Tata Sumo)

**2** - Govind Sahni S/o Prabhulal Sahni Aged About 48 Years R/o Prabhu Band Party, Main Road, Tahsil And Ps- Arang, District Raipur Chhattisgarh. (Registered Owner Of Vehicle No. Cg 04 B 6827-Tata Sumo)

**--- Appellants****versus**

**1** - Ranjit Bhunjia S/o Late Sacharu Bhunjia Aged About 61 Years R/o Village Jhara, Ps Khallari, Tahsil And District Mahasamund, Chhattisgarh (Claimant)



**2** - The New India Insurance Company Ltd Madina Building, Jail Road Raipur, District-Raipur Chhattisgarh. ( Insurance Company For The Vehicle No. Cg 04 B 6827 - Tata Sumo)

--- **Respondents**

**MAC No. 210 of 2022**

**1** - Gopi Sahni S/o Prabhulal Sahni Aged About 45 Years Currently R/o Prabhu Band Party, Main Road, Tahsil And Police Station Arang, District Raipur, Chhattisgarh. (Driver Of Vehicle No. Cg 04 B 6827- Tata Sumo), District : Raipur, Chhattisgarh

**2** - Govind Sahni S/o Prabhulal Sahni Aged About 48 Years Currently R/o Prabhu Band Party, Main Road, Tahsil And Police Station Arang, District Raipur, Chhattisgarh. (Registered Owner Of Vehicle No. Cg 04 B 6827- Tata Sumo), District : Raipur, Chhattisgarh

--- **Appellants**

**versus**

**1** - Smt. Malti Bhunjia W/o Late Panchram Bhunjia Aged About 29 Years Currently R/o Village Pali, Soramsindhi Road, Police Station Khallari, Tahsil And District Mahasamund, Chhattisgarh (Claimant), District : Mahasamund, Chhattisgarh

**2** - The New India Insurance Company Limited Madina Building, Jail Road, Raipur, District Raipur, Chhattisgarh. (Insurance Company For The Vehicle No. Cg 04 B 6827- Tata Sumo), District : Raipur, Chhattisgarh

--- **Respondents**

**MAC No. 221 of 2022**

**1** - Gopi Sahni S/o Prabhulal Sahni, Aged About 45 Years R/o Prabhau Band Party, Main Road, Tahsil And Ps Arang, District Raipur Chhattisgarh.



**2** - Govind Sahni, S/o Prabhulal Sahni, Aged About 48 Years R/o Prabhu Band Party, Main Road, Tahsil And Ps Arang, District Raipur Chhattisgarh. (Registered Owner Of Vehicle No. Cg 04 B 6827 Tata Sumo)

**--- Appellants**

**versus**

**1** - Smt. Malti Bhunjia W/o Late Panchram Bhunjia, R/o Village Pali, Soram Sindhi Road, Ps Khallari, Tahsil And District Mahasamund, Chhattisgarh.

**2** - Ku, Tarini D/o Late Panchram Bhunjia, Aged About 11 Years (Through Mother Smt. Malti Bhunjia) R/o Village Pali, Soram Sindhi Road, Ps Khallari, Tahsil And District Mahasamund, Chhattisgarh.

**3** - Ku. Bhumika, D/o Late Panchram Bhunjia, Aged About 10 Years (Through Mother Smt. Malti Bhunjia) R/o Village Pali, Soram Sindhi Road, Ps Khallari, Tahsil And District Mahasamund, Chhattisgarh.

**4** - Kumar Singh Bhunjia S/o Kaliram Aged About 53 Years R/o Village Pali, Soram Sindhi Road, Ps Khallari, Tahsil And District Mahasamund, Chhattisgarh.

**5** - Kumari Bai W/o Kumar Singh Bhunjia, Aged About 48 Years R/o Village Pali, Soram Sindhi Road, Ps Khallari, Tahsil And District Mahasamund, Chhattisgarh.

**6** - The New India Insurance Company Ltd., Madina Building, Jail Road, Raipur, District Raipur, Chhattisgarh. (Insurance Company For The Vehicle No. Cg 04 B 6827 Tata Sumo)

**--- Respondents**



|                                  |   |                                                                          |
|----------------------------------|---|--------------------------------------------------------------------------|
| For Appellants/Driver & Owner    | : | Shri Khulesh Sahu and Ms. Poulami Das, Advocates                         |
| For Respondent(s)/Claimant(s)    | : | Shri Jameel Akhtar Lohani, Advocate                                      |
| For Respondent/Insurance Company | : | Shri Raghvendra Verma, Advocate on behalf of Shri Deepak Gupta, Advocate |

**Hon'ble Shri Justice Sachin Singh Rajput**

**C A V Order**

1. Since an identical issue is involved in the present appeals, they are being heard and decided by this common order.
2. Cross objections filed in the present appeals are also being heard and decided by this common order.
3. The parties are herein referred to as driver, owner, claimant(s) and insurance company/insurer.

**Brief Facts**

4. Briefly stated the facts are that the appellants are the driver and owner of a vehicle namely Tata Sumo bearing registration No.CG 04 B 6827. On 19.4.2019 at 10 p.m., the offending vehicle dashed to one motorcycle bearing registration No.CG 06 GL 1854 which was carrying 3 persons. As a result of the said



accident, one of the riders, namely, Panchram Bhunjiya died on the spot. Other riders, namely, Bisnath Bhunjiya and Ranjit Bhunjiya were being taken to Government Hospital, Mahasamund by a 112 Ambulance. On the way, Bisnath Bhunjiya died and Ranjit Bhunjiya, who sustained grievous injuries, was admitted in the Government Hospital, Mahasamund. Thereafter, he was treated in different hospitals. He sustained amputation above the knee near the thigh. 3 different claim applications under Section 166 of the Motor Vehicle Act, 1988 (for short 'MV Act') were filed. Claim Case No.H-94 of 2019 was registered on the application so filed by claimant Ranjit Bhunjiya seeking compensation for the injuries caused to him in the accident. Claim Case No.H-95 of 2019 was registered on the application of claimant Smt. Malti Bhunjiya seeking compensation on account of death of Bisnath Bhunjiya in the said accident. Whereas, Claim Case No.H-96 of 2019 was registered on the application of claimants Smt. Malti Bhunjiya and others seeking compensation on account of death of Panchram Bhunjiya in the said accident.

5. The claim applications filed by the claimants were resisted by the driver, owner and insurance company on various grounds. The driver and owner while resisting the claim applications, pleaded that the driver had a valid and effective driving licence to drive the offending vehicle. The owner has given an amount of Rs.9,370 to the agent of the insurance company, namely, Alok Shukla at 16:00 hours (4:00 p.m.) on 19.4.2019 to get the offending vehicle insured from the insurance company. The said



amount of premium was transferred in the account of the insurance company by the agent Alok Shukla at 16:35 hours (4:35 p.m). However, Alok Shukla did not provide the insurance policy. While the policy was received by the owner on the next day, he came to know that the policy was issued with effect from 20.4.2019 to 19.4.2020 after a day of the receipt of the premium. The owner contacted the manager of the insurance company and complained in writing on 24.4.2019. However, no correction in the insurance policy was made. Further case of the owner and driver is that as the insurance premium was received by the insurance company through its agent at 16:35 hours (4:35 p.m) on 19.4.2019. Thus, to pay the compensation, the insurance company is liable. Other defence with regard to contributory negligence was also taken.

- 6.** The insurance company by filing its written statement before the Claims Tribunal pleaded that as per the insurance policy No.4601003118024441065. The offending vehicle was earlier insured from 17.4.2018 to 16.4.2019. Thereafter, vide policy No.46010031190200000658 the insurance of the offending vehicle is valid with effect from 20.4.2019 to 19.4.2020. Thus, it is pleaded that on the date of accident, i.e., 19.4.2019 the offending vehicle was not insured with the insurance company. Apart from this, it was also pleaded that in the charge sheet filed against the driver, apart from the offences under the IPC, the offence under Section 146/196 of the MV Act was levelled, which goes to show that on the date of accident the offending vehicle was not insured with the insurance company.



7. On the basis of the above pleadings, the learned Claims Tribunal framed issues.
8. The claimants, driver, owner and the insurance company examined their witnesses to prove their respective pleadings.
9. The learned Claims Tribunal decided the issues in favour of the claimants, however, while deciding issue No.3 observed that driver and owner are liable to pay compensation. In issue No.6 with respect to violation of terms and conditions of the insurance policy, the Claims Tribunal observed that the offending vehicle was not insured. Thus, there is no question of violation of terms and conditions of the insurance policy. The Claims Tribunal awarded the following compensation vide award dated 2.11.2021:

| Sl. No. | Claim Case No. | Compensation Awarded (Rs.) | Injury or Death Case                     | Concerned MAC No. |
|---------|----------------|----------------------------|------------------------------------------|-------------------|
| 1       | H-94 of 2019   | 96,400                     | Injury Case of the Claimant              | 213 of 2022       |
| 2       | H-95 of 2019   | 2,18,200                   | On account of death of Bisnath Bhunjiya  | 210 of 2022       |
| 3       | H-96 of 2019   | 10,73,900                  | On account of death of Panchram Bhunjiya | 221 of 2022       |



**Submissions on behalf of Appellants**

- 10.** Shri Khulesh Sahu and Ms. Poulami Das, learned counsel appearing for the appellants/driver and owner of the offending vehicle submit that the accident had occurred on 19.4.2019 at about 10 p.m. prior to that the owner of the offending vehicle has already given the premium of insurance policy to the agent of the insurance company on 19.4.2019 at about 16:00 hours (4:00 p.m.) which was then transferred in the account of the insurance company at 16:35 hours (4:35 p.m.). Thus, the insurance company has already received the premium and *mala fidely* issued the policy on the next date, i.e., 20.4.2019. Immediately on coming to know about this, a written complaint was made by the appellant to the manager of the insurance company, however, no correction was made in the insurance policy. Learned counsel submit that in order to prove the same, the agent of the insurance company was also examined, who, in his evidence, fortified the fact of receiving the premium from the owner at 16:00 hours (4:00 p.m.) and transferring the same in the account of the insurance company at 16:35 hours (4:35 p.m.). From the evidence of the owner, it is also established that the written complaint was made indicating therein that the premium of the insurance policy had been received by the insurance company a day prior to the accident despite the policy was made to be issued from 20.4.2019 to 19.4.2020. Learned counsel submit that the owner by preponderance of probabilities able to prove his defence and the owner and driver cannot be held responsible to make good the compensation,





particularly, when the premium has already been taken by the insurance company. For the fault on the part of the insurance company, the driver and owner cannot be made to suffer. Thus, learned counsel submit that exoneration of the insurance company from payment of compensation by the learned Claims Tribunal holding that the offending vehicle was not insured on the date of the accident, may be set aside and the insurance company may be saddled with the liability to pay the compensation as awarded by the Claims Tribunal. In support, learned counsel for the appellants/owner and driver placed reliance upon the judgments of the Hon'ble Supreme Court in the cases of **Oriental Insurance Company Limited v. Dharam Chand and others, (2010) 15 SCC 141** and **New India Assurance Company Limited v. Ram Dayal and others, (1990) 2 SCC 680**.

11. Second submission of learned counsel for the appellants/driver and owner is that it is a case of contributory negligence and the deceased driver of the motorcycle contributed in causing the accident. Thus, suitable deduction may be made from the amount of compensation awarded. Thus, it is prayed that the appeals of the driver and owner may be allowed.

#### **Submissions on behalf of Respondents**

12. Shri Jameel Akhtar Lohani, learned counsel appearing for the respondent(s)/claimant(s) submits that so far as dispute of liability to pay compensation is concerned it is between the insurance company and the owner. However, he submits that in



MAC No.213 of 2022 injured Ranjit Bhunjiya suffered amputation. He was a carpenter by profession and earning Rs.9,000 per month. He sustained 70% permanent disability. In MAC No.210 of 2022, learned counsel for the claimants submits that only Rs.2,18,200 is awarded and the deceased was father of claimant Malti Bhunjiya. Thus, suitable enhancement may be made.

- 13.** Shri Raghvendra Verma, learned Advocate appearing on behalf of Shri Deepak Gupta, learned counsel for the respondent/insurance company vehemently opposes the submission made on behalf of the appellants/driver and owner and submits that the offending vehicle was only insured with effect from 00:00 hours of 20.4.2019 to 19.4.2020. Admittedly, the accident had occurred on 19.4.2019 at about 10 p.m. Thus, on the day and time of the accident, the offending vehicle was not insured with the insurance company. He submits that the agent to whom the premium of the insurance policy was allegedly paid by the owner is not the agent of the insurance company. He submits that *arguendo* even if the premium is received by the insurance company on 19.4.2019 at 16:35 hours (4:35 p.m.), the risk was only started from the date and time of the issuance of the insurance policy. Even acceptance of proposal or premium would not be the relevant date for assumption of risk under the insurance policy. He further submits that the Claims Tribunal has meticulously examined the evidence on record and given a categorical finding that the offending vehicle was not insured on the date of accident. Thus,



the insurance company cannot be held liable to pay compensation. He prays for dismissal of the appeals.

- 14.** A patient hearing has been given to learned counsel for the parties and an exercise of perusing the record meticulously with rapt attention has been undertaken by this Court.

### **Analysis and Conclusion**

- 15.** The first point for consideration before this Court is as to whether it is a case of contributory negligence on the part of the deceased driver of the motorcycle. Learned counsel for the driver and owner of the offending vehicle tried to persuade this Court that as three persons were travelling on the motorcycle, thus, the deceased driver of the motorcycle also contributed in causing the accident. Thus, suitable deduction from the amount of compensation may be made. This submission is liable to be rejected for more than one reason. Firstly, Alakhram Vishwakarma (AW-2), who is also a cited witness in the charge sheet filed against the driver of the offending vehicle has categorically deposed that the driver of the offending vehicle was negligent in causing the accident. Secondly, the driver of the offending vehicle was not examined to suggest that the deceased driver also contributed in occurrence of the accident. Thirdly, merely three persons were riding the motorcycle would not *ipso facto* lead to a irresistible conclusion of contributory negligence. There has to be more evidence to prove the contributory negligence. Of course, riding three persons in a motorcycle is a violation of the MV Act, however, this sole



reason cannot be meant to apply contributory negligence. There must either be a causal connection between the violation and the impact of the accident upon the victim. It is in such cases, where, but for the violation of the law, either the accident could have been averted or the impact could have been minimised, that the principle of contributory negligence could be invoked as held by the Hon'ble Supreme Court in case of **Mohammed Siddique and another v. National Insurance Company Ltd. and others, AIR 2020 SC 520**. Thus, this contention of learned counsel for the appellants/driver and owner is repelled.

- 16.** The next point for determination before this Court is to whether the insurance company has accepted the premium at 16:35 hours (4:35 p.m.) and would automatically mean it has assumed the risk for making compensation and the risk would only start on the date and time of the issuance of the insurance policy. This is the precise point which requires determination by this Court after analysing the evidence and legal proposition in this regard.
- 17.** Owner Govind Sahni was examined as witness No.1. According to him, the previous insurance policy of the offending vehicle was from 15.4.2017 to 14.4.2018 issued by the New India Assurance Company. In order to insure the vehicle, he has made payment of Rs.9,370 to Alok Shukla on 17.4.2019 at 10 a.m. The said premium amount was paid in the account of the insurance company on 19.4.2019 at 4:35 p.m. The owner received the insurance policy with effect from 20.4.2019 to 19.4.2020. He



further deposed that he wrote a letter to the manager of the insurance company mentioning that the premium was received on 19.4.2019 at 16:30 hours (4:30 p.m.) to issue the policy from 19.4.2019.

- 18.** Alok Shukla (NAW2) also deposed in the same line of the owner Govind Sahni. He also exhibited the bank statements to demonstrate that the premium amount was received by the insurance company on 16:35:15 hours. In cross examination, he admits that he is not an agent of New India Assurance Company Limited. He was subjected to cross examination, but, that may not be relevant for decision making of the present appeals. The insurance policy which was earlier issued of the offending vehicle which is marked as Ex.D9C period of insurance shown from 17.4.2018 03:39:09 p.m. to 16.4.2019 11:59:59 p.m. Meaning thereby the earlier policy of the offending vehicle expired on 16.4.2019 at 12 p.m. The new policy of the offending vehicle is exhibited as Ex.D10C. This has been proved by the witness of the insurance company, namely, Mahesh Kumar, who deposed that on the date of accident the offending vehicle was not insured. Ex.D10C reflects that the period of cover starts from 20.4.2019 12:00:01 a.m. to 19.4.2020 11:59:59 p.m. From the record, it is apparent that the accident had occurred at about 10 p.m. on 19.4.2019, about 2 hours prior to the effectiveness of the insurance policy, i.e., Ex.D10C.
- 19.** Perusal of Ex.D10C indicates that there is a receipt number generated dated 19.4.2019. From the evidence of the owner and



the agent and the document exhibited by them, it is evident that the amount was received by the insurance company on 19.4.2019. Now, the question, as stated above, whether simply because the premium has been accepted, the risk would automatically be assumed by the insurance company. Important aspect of the matter is that earlier insurance policy of the offending vehicle was effect from 17.4.2018 to 16.4.2019. Thus, on 17.4.2019 and 18.4.2019 the offending vehicle was not insured on 17.4.2019, 18.4.2019, even till premium was deposited in the account of the insurance company.

20. According to the owner, he has given the premium to the agent on 17.4.2019, but the same was only deposited on 19.4.2019 at 16:35 hours. The agent who has deposited the amount of premium in the bank account of the insurance company was also not the authorised agent of the insurance company as admitted by him in his evidence. Thus, from the above discussion, it is vivid that the insurance company cannot be held vicariously liable for any action of the agent while there is no authority upon him to act on behalf of the insurance company.
21. Way back in the year 1984, the Hon'ble Supreme Court in the case of **Life Insurance Corporation of India v. Raja Vasireddy Komalavalli Kamba and others, (1984) 2 SCC 719** held that mere filing any proposal for insurance and depositing first premium with the Life Insurance Corporation do not create a binding contract between the Life Insurance Corporation and the proposal so as to enable the heirs of the



deceased after his death to claim the amount covered by the insurance policy and held as under:

“15. ... The general rule is that the contract of insurance will be concluded only when the party to whom an offer has been made accepts it unconditionally and communicates his acceptance to the person making the offer. ... ”

- 22.** In the case in hand, for getting the offending vehicle insured, the offer by way of premium was given by the owner at about 16:35 hours and was accepted by the insurance company from 12:01 hours of 20.4.2019 to 11:59 hours of 19.4.2020.
- 23.** Thus, *arguendo*, if depositing the premium by Alok Shukla so called agent in the account of insurance company is treated as offer given by the owner for issuance of insurance policy of the offending vehicle, but, it would not *ipso facto* lead to irresistible conclusion that the offer has been accepted immediately unconditionally by the insurance company. After the policy was issued, it would mean that the offer of the owner was accepted by the insurance company to begin the contract of insurance. Thus, in the opinion of this Court, the contract of insurance only commenced from the date and time of issuance of the insurance policy.
- 24.** The issue as to whether the date of issuance of policy would be the relevant date for all purposes or date of proposal or date of issuance of receipt came for consideration before the Hon'ble



Supreme Court in the case of **Reliance Life Insurance Company Limited and another v. Jaya Wadhwani, 2024 LiveLaw (SC) 19**. Placing reliance on the judgment in the case of **Life Insurance Corporation of India and another v. Dharam Vir Anand, (1998) 7 SCC 348** and **Life Insurance Corporation of India v. Mani Ram, (2005) 6 SCC 274** the Hon'ble Supreme Court held that date of issuance of insurance policy would be the relevant date for all purposes and not the date of proposal or the date of issuance of receipt. Thus, in light of the above discussion, the submission of learned counsel for the appellants/owner and driver that the insurance company must be held to pay compensation is not acceptable. The reliance placed on the **Oriental Insurance Company case** (supra) and **New India Assurance Company case** (supra) is misplaced as in those cases a cover note was issued in favour of the insured therein prior to the time of accident. However, in light of the above settled position of law as stated above, the judgments cited by learned counsel for the appellants/owner and driver do not come to their rescue. Thus, the instant appeals filed by the owner and driver of the offending vehicle do not appear to have any merit.

- 25.** Now, as to whether the cross objection filed by the claimants in the present appeals could be allowed to award just compensation.



**Assessment of Compensation in MAC No.213 of 2022**

- 26.** As per pleading of the claim application, the claimant was aged about 58 years and was a carpenter by profession and earning Rs.300 per day. Learned Claims Tribunal found his monthly income to Rs.3,000. He was found to be 68 years of age by the learned Claims Tribunal on the basis of Aadhar Card. Disability certificate to the tune of 70% was exhibited. Learned Claims Tribunal found the functional disability to 35%. Following compensation was awarded by the Claims Tribunal:

| Head                                | Amount<br>(Rs.) |
|-------------------------------------|-----------------|
| Loss of Earning                     | 63,000          |
| For Treatment                       | 13,400          |
| Pain and Suffering                  | 10,000          |
| Nutritional Diet and Transportation | 10,000          |
| Total =                             | 96,400          |

- 27.** Firstly, this Court would deem it appropriate to determine the age of the claimant. As per claimant, he was aged about 58 years at the time of accident. In the disability certificate, his age is shown to be 60 years, so in the treatment papers. The finding of learned Claims Tribunal as 68 years on the basis of Aadhar Card does not appear to be correct in light of judgment of the Hon'ble Supreme Court in case of **Saroj and others v. Iffco Tokio General Insurance Co. and others, 2024 INSC 816**. Thus, this Court holds the age of the claimant to be between 61-65 years.



**28.** Next point for determination is the income of the claimant. As per the claimant, he was working as a carpenter and earning Rs.300 per day. Barring oral evidence, no other cogent evidence is available on record. However, this Court is to see that just compensation is awarded to the claimant, Thus, looking to the evidence, age of the claimant, place of working, date of accident, this Court can safely assess his monthly income to Rs.6,000 per month. Now, the question which comes for determination is to the functional disability of the claimant. Ex.P1 is the disability certificate issued by the District Medical Board. According to which, the claimant suffered 70% permanent disability. This certificate is duly proved by AW-3 Dr. N.K. Mandape. He has deposed that the disability is in respect of his leg and cannot tell the extent of permanent disability for whole body. Thus, in light of the judgment of the Hon'ble Supreme Court in case of **Raj Kumar v. Ajay Kumar and another, (2011) 1 SCC 343**, this Court proceeds to determine the functional disability of the claimant. The Hon'ble Supreme Court in **Raj Kumar case** (supra) has laid down the mechanism and manner to determine the functional disability looking to nature of job and activities. It has been observed as under:

"12. Therefore, the Tribunal has to first decide whether there is any permanent disability and, if so, the extent of such permanent disability. This means that the Tribunal should consider and decide with reference to the evidence:

(i) whether the disablement is permanent or temporary;

(ii) if the disablement is permanent, whether it is



permanent total disablement or permanent partial disablement;

(iii) if the disablement percentage is expressed with reference to any specific limb, then the effect of such disablement of the limb on the functioning of the entire body, that is, the permanent disability suffered by the person.

If the Tribunal concludes that there is no permanent disability then there is no question of proceeding further and determining the loss of future earning capacity. But if the Tribunal concludes that there is permanent disability then it will proceed to ascertain its extent. After the Tribunal ascertains the actual extent of permanent disability of the claimant based on the medical evidence, it has to determine whether such permanent disability has affected or will affect his earning capacity.

13. Ascertainment of the effect of the permanent disability on the actual earning capacity involves three steps. The Tribunal has to first ascertain what activities the claimant could carry on in spite of the permanent disability and what he could not do as a result of the permanent disability (this is also relevant for awarding compensation under the head of loss of amenities of life). The second step is to ascertain his avocation, profession and nature of work before the accident, as also his age. The third step is to find out whether (i) the claimant is totally disabled from earning any kind of livelihood, or (ii) whether in spite of the permanent disability, the claimant could still effectively carry on the activities and functions, which he was earlier carrying on, or (iii) whether he was prevented or restricted from discharging his previous activities and functions, but could carry on some other or lesser scale of activities and functions so that he continues to earn



or can continue to earn his livelihood.”

- 29.** The claimant has claimed himself to be a carpenter. In absence of any contrary evidence, this Court does not see any reason to disbelieve his profession. Carpentry is a profession which requires frequent movement of the person to perform. It is a job which requires physical strength and skill. The claimant has lost his right leg and amputated from thigh above knee. Thus, the claimant would not be able to perform his job with same capacity as before the disability. Of course, by his hands he may be able to manage to perform his job to some extent, however, his efficiency skills would decrease to a great extent. Taking into consideration all aspects of the matter, this Court is inclined to assess his functional disability to 60% which would be loss of his earning capacity. Thus, this Court re-assess the compensation in the following manner:

| Head                                               | Amount<br>(Rs.) |
|----------------------------------------------------|-----------------|
| Monthly Income                                     | 6,000           |
| 60% Loss of Earning                                | 3,600           |
| Yearly Loss of Earning                             | 43,200          |
| Multiplier of 7 Applied For Loss of Future Earning | 3,02,400        |
| For Treatment (As Awarded)                         | 13,400          |
| For Pain and Suffering                             | 50,000          |
| For Attendant, Nutritional Diet and Transportation | 25,000          |
| Total =                                            | 3,90,800        |

- 30.** After deducting Rs.96,400 as awarded, the claimant is held



entitled to additional sum of Rs.2,94,400 with interest @ 6% per annum from the date of appeal, i.e., 9.2.2022 till its realisation.

**Assessment of Compensation in MAC No.210 of 2022**

**31.** In this case also, the deceased was a carpenter and was earning Rs.300 per day. He was stated to be 60 years of age. The claimant in this case is the daughter of the deceased. The learned Claims Tribunal found monthly income of the deceased to Rs.3,000. The Claims Tribunal added 10% in his income. 50% was deducted for his personal and living expenses. After applying multiplier of 9 and adding compensation on other admissible heads awarded total compensation of Rs.2,18,200. Taking into consideration the evidence available on record, nature of job of the deceased, his age, the date of accident, number of his dependent and taking guidance from the judgments of the Hon'ble Supreme Court in the cases of **National Insurance Company Ltd. v. Pranay Sethi, (2017) 16 SCC 680, Sarla Verma and others v. Delhi Transport Corporation and others, (2009) 6 SCC 121** and **Magma General Insurance Co. Ltd. v. Nanu Ram @ Chuhru Ram and others, (2018) 18 SCC 130**, this Court recomputes the compensation in the following manner:

| Head                 | Amount<br>(Rs.) |
|----------------------|-----------------|
| Monthly Income       | 6,000           |
| 10% Future Prospects | 600             |
| Total Monthly Income | 6,600           |
| Yearly Income        | 79,200          |



|                                                                   |          |
|-------------------------------------------------------------------|----------|
| (Rs.6,600 x 12)                                                   |          |
| 50% Deduction for Personal and Living Expenses<br>(Rs.79,200 / 2) | 39,600   |
| Multiplier 9 is Applied<br>(Rs.39,600 x 9)                        | 3,56,400 |
| Loss of Estate                                                    | 15,000   |
| Funeral Expenses                                                  | 15,000   |
| Parental Consortium                                               | 40,000   |
| Total Compensation =                                              | 4,26,400 |

- 32.** After deducting Rs.2,18,200 as awarded, the claimant is held entitled to additional sum of Rs.2,08,200 with 6% interest per annum from the date of appeal, i.e., 9.2.2022 till its realisation.

**Assessment of Compensation in MAC No.221 of 2022**

- 33.** In this case, the deceased is Panchram Bhunjiya. He was stated to be a mason and earning Rs.500 per day. He was found to be aged about 30 years. His monthly income was found to be Rs.4,500. After adding future prospects of 40%, deducting 1/4 amount for personal and living expenses, applying multiplier of 17 and adding compensation of other admissible heads, the learned Claims Tribunal awarded total compensation of Rs.10,73,900 to the claimants. Though the claimants pleaded daily income of the deceased to Rs.500, however, barring oral evidence, no cogent documentary evidence is available on record. There are 5 dependents found on the income of the deceased including young widow of 26 years, two minor children aged about 8 and 7 years and parents. Thus, taking into consideration the nature of job, age of deceased, number of



dependents, date of accident and minimum wages prevailing, this Court can safely take notional income of the deceased to Rs.9,000 per month. In light of the judgments of the Hon'ble Supreme Court in the cases of **Pranay Sethi** (supra), **Sarla Verma** (supra) and **Nanu Ram** (supra), this Court reassesses the compensation in the following manner:

| Head                                                                                                  | Amount<br>(Rs.) |
|-------------------------------------------------------------------------------------------------------|-----------------|
| Monthly Income                                                                                        | 9,000           |
| 40% Future Prospects                                                                                  | 3,600           |
| Total Monthly Income                                                                                  | 12,600          |
| Yearly Income<br>(Rs.12,600 x 12)                                                                     | 1,51,200        |
| 1/4 Deduction for Personal and Living Expenses<br>(Rs.1,51,200 / 4 = 37,800;<br>Rs.1,51,200 - 37,800) | 1,13,400        |
| Multiplier of 17 applied to Asses Loss of Dependency<br>(Rs.1,13,400 x 17)                            | 19,27,800       |
| Funeral Expenses                                                                                      | 15,000          |
| Loss of Estate                                                                                        | 15,000          |
| Spousal Consortium                                                                                    | 40,000          |
| Parental and Filial Consortium<br>(Rs.40,000 x 4)                                                     | 1,60,000        |
| Total Compensation =                                                                                  | 21,57,800       |

- 34.** After deducting Rs.10,73,900 as awarded, the claimants are held entitled to additional sum of Rs.10,83,900 with 6% interest per annum from the date of appeal, i.e., 9.2.2022 till its realisation.
- 35.** The appellants are directed to deposit the enhanced amount of



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the compensation along with interest as awarded by this Court within a period of 60 days from the date of receipt of this order. After the deposit, the learned Claims Tribunal shall pass appropriate orders in respect of apportionment, investment and disbursement of the compensation amongst the claimants keeping in view the law laid down by the Hon'ble Supreme Court in case of **General Manager, Kerala State Road Transport Corporation, Trivandrum v. Susamma Thomas (Mrs.) and others, (1994) 2 SCC 176**. Rest of the awards to remain intact subject to modifications made hereinabove.

**Result**

- 36.** *Ex consequenti*, the appeals are dismissed and the cross objections are partly allowed. No costs.

Sd/-  
**(Sachin Singh Rajput)**  
**JUDGE**