

**IN THE SUPREME COURT OF INDIA  
CIVIL APPELLATE JURISDICTION**

**CIVIL APPEAL No.278 OF 2020**

*(arising out of Special Leave Petition (C) No.18049 of 2019)*

**NAVJOT SINGH**

**... APPELLANT(S)**

***Versus***

**HARPREET SINGH & ORS.**

**... RESPONDENT(S)**

**O R D E R**

1. Leave granted.
2. Not satisfied with the enhancement granted by the High Court in an appeal arising out of the award of the Motor Accident Claims Tribunal, the claimant has come up with the above appeal.
3. We have heard the learned counsel for the claimant and the learned counsel for the Insurance Company.
4. In a road traffic accident that occurred on 10.12.2013, the appellant suffered multiple injuries, ultimately resulting in the amputation of his right leg. Therefore, he filed a claim for compensation before the Motor Accident Claims Tribunal, Patiala claiming a compensation of Rs.30,00,000/-.
5. By an award dated 13.07.2015, the Tribunal awarded a compensation of Rs.5,62,000/- payable by the insurer together with interest @ 7.5 % per annum.
6. Claiming enhancement of compensation, the appellant filed an appeal before the High Court of Punjab & Haryana at Chandigarh. The High Court enhanced the compensation to Rs.14,66,800/-, to be paid with interest @

6% per annum. Not satisfied with the said enhancement, the appellant is before us.

7. The main grievance of the appellant is about the compensation awarded towards loss of future earnings on account of permanent disability suffered by him. The claim of the appellant was that at the time of the accident, he was 21 years of age pursuing a course in Food Technology in SLIET and that he was also earning a sum of Rs.10,000/- by taking tuitions for some students. The Tribunal disbelieved the claim of the appellant that he was earning Rs.10,000/- per month by taking tuitions. The Tribunal also refused to give any credence to the disability certificate filed as *Exhibit C-35*, on the ground that the Doctor who was examined as a witness to prove the disability certificate, was not a member of the Committee which issued the disability certificate. Therefore, all that the Tribunal awarded was (i) a sum of Rs.4,52,000/- towards medical expenses; (ii) Rs.10,000/- towards attendant charges; (iii) Rs.50,000/- towards pain and suffering; and (iv) Rs.50,000/- towards hospital charges and special diet, totaling into a sum of Rs.5,62,000/-.

8. The High Court reversed the finding of the Tribunal with regard to the disability certificate and held that the oral testimony of CW-3, the Medical Officer of the Civil Hospital, Rajpura cannot be totally discarded, as he was able to identify the signatures of the members of the Committee which issued the disability certificate *Exhibit C-35*. The High Court also held that the principles laid down by this Court in ***Raj Kumar Vs. Ajay Kumar &***

**Anr.**<sup>1</sup>, for the determination of compensation in the case of permanent/partial disablement have to be followed and that due to the amputation of the right leg, the loss of future earnings should be assessed by taking the loss of earning capacity to the extent of 40%. The High Court fixed the notional monthly income of the appellant at Rs.5,000/- and applied the parameters laid down in **National Insurance Company Limited Vs. Pranay Sethi & Ors.**<sup>2</sup> to come to the conclusion that an increase of 40% should be provided towards future prospects. The High Court also took the multiplier as 18 on the basis of the guidelines provided in **Sarla Verma & Ors. Vs. Delhi Transport Corporation & Anr.**<sup>3</sup>

9. Thus, the High Court arrived at an amount of Rs.6,04,800/- as compensation for loss of future earnings on account of permanent disability, the computation of which was as follows:

| <b>Sr. No.</b> | <b>Head</b>  | <b>Amount</b>                     |
|----------------|--|-----------------------------------|
| 1.             | Notional income per month  | Rs.5000/-                         |
| 2.             | 40% increase towards future prospects                            | Rs.5000/- + Rs.2000/- = Rs.7000/- |
| 3.             | Annual income  | Rs.7000 x 12 = Rs.84,000/-        |
| 4.             | Income after applying multiplier of 18                           | Rs.84,000x18 = 15,12,000/-        |
| 5.             | 40% of the total income assessed towards loss of future earnings | Rs.6,04,800/-                     |

10. The amount of Rs.50,000/- awarded by the Tribunal towards pain and suffering was enhanced by the High Court to Rs.1,50,000/-, in view of the fact that the appellant was hospitalized during the period from 10.12.2013

1 (2011) 1 SCC 343

2 (2017) 16 SCC 680

3 (2009) 6 SCC 121

to 26.12.2013 and that his right leg got amputated. The High Court also awarded a sum of Rs.2,00,000/- towards loss of marriage prospects. Thus, the High Court arrived at a compensation of Rs.14,66,800/-. However, the interest payable was reduced by the High Court from 7.5% to 6% and that too only from the date of filing of the appeal till actual realization. No reason was stated in the impugned order for awarding interest only from the date of filing of the appeal. Therefore, the appellant is before us.

11. The insurer has not come on appeal against the enhancement of compensation granted by the High Court. The main grievance of the appellant before us is that despite being a student of Food Technology, his monthly income was fixed by the High Court at a meagre amount of Rs.5000/- on the basis of what an unskilled worker will earn.

12. Admittedly, the appellant was 21 years of age at the time of the accident and he was pursuing a Degree course in Food Technology from Sant Longowal Institute of Engineering and Technology. Though the Tribunal did not believe the claim made by the appellant that he was earning Rs.10,000/- per month even as a student by taking tuitions, and though the High Court also did not go by the said claim, the High Court arrived at the notional income of the appellant at Rs.5,000/- per month, on the ground that the minimum wages admissible to an unskilled worker was Rs.5,000/- per month.

13. But we do not think that the notional income of a student undergoing a Degree course in Engineering from a premier institute should be taken to be equivalent to the minimum wages admissible to an unskilled worker. Students recruited through campus interviews are atleast offered a sum of Rs.20,000/- per month. Even if we do not go on the said basis, the High Court could have fixed the notional income atleast at Rs.10,000/- per month.

14. Therefore, in the facts and circumstances of the case, and by exercising our power under Article 142 of the Constitution of India, we take the notional monthly income of the appellant as Rs.10,000/- per month. If so taken, the compensation awarded by the High Court towards loss of future earnings on account of permanent disability would come to Rs.12,09,600/-, by the very same other parameters applied by the High Court. In other words, the computation will become as under:-

| <b>Sr. No.</b> | <b>Head</b>  | <b>Amount</b>                          |
|----------------|--|--|
| 1.             | Notional income per month  | Rs.10000/-                             |
| 2.             | 40% increase towards future prospects                            | Rs.10000/- + Rs.4000/- =<br>Rs.14000/- |
| 3.             | Annual income  | Rs.14000 x 12 =<br>Rs.1,68,000/-       |
| 4.             | Income after applying multiplier of 18                           | Rs.1,68,000x18<br>=30,24,000/-         |
| 5.             | 40% of the total income assessed towards loss of future earnings | Rs.12,09,600/-                         |

15. If the compensation for loss of future earnings on account of permanent disability is taken as Rs.12,09,600/-, the total amount of compensation would work out as follows:

| <b>Sr. No.</b> | <b>Head</b>  | <b>Amount</b>                                       |
|----------------|--|---|
| 1.             | Loss of future earnings on account of permanent disability     | Rs.12,09,600/-                                      |
| 2.             | Medical bills/treatment charges                                | Rs.4,52,000/- ( <i>as awarded by the Tribunal</i> ) |
| 3.             | Pain and suffering/mental agony                                | Rs.1,50,000/-                                       |
| 4.             | Loss of marriage prospects including loss of amenities of life | Rs.2,00,000/-                                       |
| 5.             | Hospitalization charges and special diet                       | Rs.50,000/- ( <i>as awarded by the Tribunal</i> )   |
| 6.             | Attendant charges  | Rs.10,000/- ( <i>as awarded by the Tribunal</i> )   |
| 7.             | Total  | Rs.20,71,600/-                                      |

16. The appeal is allowed and the compensation is enhanced to Rs.20,71,600/- (Rupees Twenty Lakhs Seventy One Thousand and Six Hundred only).

17. We are not modifying the rate of interest and period of interest fixed by the High Court, in the peculiar circumstances of the case.

.....J  
(N.V. Ramana)

.....J  
(V. Ramasubramanian)

**New Delhi**  
**January 13, 2020.**

ITEM NO.34

COURT NO.2

SECTION IV-B

S U P R E M E C O U R T O F I N D I A  
R E C O R D O F P R O C E E D I N G S

Petition for Special Leave to Appeal (C) No.18049/2019

(Arising out of impugned final judgment and order dated 11-01-2019  
in FAO No. 561/2016 passed by the High Court of Punjab & Haryana at  
Chandigarh)

NAVJOT SINGH

Petitioner(s)

VERSUS

HARPREET SINGH & ORS.

Respondent(s)

Date : 13-01-2020 This petition was called on for hearing today.

CORAM :

HON'BLE MR. JUSTICE N.V. RAMANA  
HON'BLE MR. JUSTICE V. RAMASUBRAMANIAN

For Petitioner(s)

Mr. Uma Kant Mishra, Adv.  
Mr. Sibbo Sankar Mishra, AOR  
Mr. Niranjan Sahu, Adv.

For Respondent(s)

Mr. Dinesh Chander Yadav, Adv.  
Mr. Vibhuti Sushant Gupta, Adv.  
Mr. Arvinder Singh, Adv.  
Mr. Narender Kumar Verma, AOR  
  
Mr. Navneet Kumar, Adv.  
Mr. Vikas Bhadana, Adv.  
Mr. Mohit Singh, Adv.  
Mr. Parijat Kishore, AOR

UPON hearing the counsel the Court made the following  
O R D E R

Leave granted.

The appeal is allowed in terms of the signed order.

(VISHAL ANAND)  
COURT MASTER (SH)

(RAJ RANI NEGI)  
ASSISTANT REGISTRAR

(Signed Order is placed on the file)