



## **“REVISED GUIDELINES / INSTRUCTIONS”**

**BY**

## **M.P. STATE LEGAL SERVICES AUTHORITY**

### **1. WIDE PUBLICITY:**

**All DLSAs/TLSCs shall give wide publicity to the Lok Adalat through: -**

- (i) Local TV Channels/Newspapers/FM Radio/ Special Media
- (ii) Involve PLVs, Panel Advocates & Advocates who are getting stipend from the Government.
- (iii) To request the State Government/District Authority to put a bottom-line news just under the Government Advertisement in Print and Electronic Media.
- (iv) Press Conference to be called by DLSAs/TLSCs.
- (v) Sarpanches/Panches of villages & counselors in municipal corporation area are being coordinated.

### **2. SEGREGATION OF CASES:**

- (i) Principal District Judges shall call for a meeting of all Judicial Officers of their unit and motivate them and request them to physically verify the records and identify cases in all categories, which are fit for settlement.

- (ii) Every Judicial Officer shall identify the cases which are fit for settlement and send the list on weekly basis to the Secretaries of DLSAs.
- (iii) Pending old cases more than 5 years be taken in priority.
- (iv) The Presiding Officer of each court shall take up all such cases where it appears that there is an element of settlement and shall refer maximum number of cases.
- (v) The Presiding Officer of each Court shall identify the cases which are ready for settlement/pre-conciliation and send the list to DLSA/TLSC well in advance without any kind of delay.
- (vi) All Secretaries of DLSA/TLSC shall prepare a list of Advocates for petitioners/claimants and respondents/Insurance Companies by obtaining their WhatsApp number and E-mail ID well in advance.
- (vii) The DLSAs/TLSCs can also collect the list of cases ready for settlement from the counsel for the parties to the cases.

**3. THE PRINCIPAL DISTRICT JUDGES/SECRETARIES SHALL CONVENE MEETINGS THROUGH ONLINE OR PHYSICALLY BY FOLLOWING SOP GUIDELINES WITH:**

1. Office bearers of Advocate Bar Association
2. Panel Advocates
3. Claimants Advocates
4. Insurance Company Officers
5. Police Officers
6. Regional /Divisional bank officers
7. Special Land Acquisition Officers/Land Acquisition Officers.
8. Other concerned departments, if necessary.

#### **4. COORDINATION BY- DLSAs/TLSCs WITH STAKE HOLDERS**

- (i) In Districts, Principal District Judges shall nominate any experienced and senior Judicial Officer as “Co-ordinator”, who shall consult & coordinate with group of Panel Advocates/Claimants Advocates/Insurance Company Officers/Police Officers/Government Officers to have discussions/deliberations/to identify cases and to have Pre-conciliation as soon as possible.
- (ii) Retired Judges or Mediators available in the respective District/Taluka may be involved for pre-conciliation sittings relating to [MACT Cases, NI Act cases, LAC cases, Civil Suits, Matrimonial disputes (except divorce case) etc.]
- (iii) List of compoundable cases prepared by DLSAs/TLSCs may be shared with the Jurisdictional police officers to co-ordinate with the concerned court, the complainant & accused.
- (iv) The presence of the complainant/Accused may be secured through virtual mode for settlement of cases as per their conveyance.

#### **5. MACT CASES:**

- (i) In MACT Cases, the DLSAs shall prepare a list by grouping the cases depending on the Insurance Company and exchange it with counsel for Insurance company/claimant lawyers, through mail/electronic mode.
- (ii) The DLSAs/TLSCs shall fix a date for conciliation in advance and same shall be intimated to the learned counsel for claimants & respondents/insurance company through mail/SMS/WhatsApp

or any other mode requesting them to participate in pre-conciliation through VC or physically if feasible.

(iii) In MACT Cases, the Presiding Officer shall direct the claimant counsel to produce all necessary documents viz., medical bills, particulars of DL, RC, FC Insurance policy of the offending vehicle and also Aadhar Card, bank account particulars of the claimant/claimants to the Court and scanned copies of the said documents shall be sent through mail to the counsel for Insurance Company or the Insurance Company itself, well in advance.

(iv) Once the matter is ready for settlement, benches shall be constituted for the Lok Adalat and proceedings shall be held by hybrid mode.

(v) In respect of the cases settled in Lok-Adalat, learned counsel for both the parties shall sign the Joint Memo/compromise petition and obtain the signatures of the parties and scanned soft copy of Joint Memo may be sent to the respective Court, immediately on the same day. The Presiding Officer can check the authenticity and confirm about the lawful settlement, from the claimants through VC or any other mode.

(vi) The award shall contain a direction to the Insurance Company to credit the award amount directly to the Bank account of the claimant / claimants through RTGS / NEFT (subject to condition for F.D. as ordered) and the directions issued by Hon'ble Supreme Court in Writ Petition(s)(Civil) No(s). 534/2020 BAJAJ ALLIANZ GENERAL INSURANCE COMPANY PRIVATE LTD. VERSUS UNION

OF INDIA & ORS. Dated 16.11.2021 be followed regarding payment of award amount.

(vii) The Bank account number of the claimant and IFSC Code may be mentioned in the award itself.

(viii) If the account is not available, then the Insurance Company shall be informed accordingly by the concerned tribunal after obtaining the details of the account of the claimants.

(ix) The Insurance Company shall credit the award amount directly to the bank account of the claimant as ordered in the award and send the acknowledgment (through mail) to the concerned Court for reference. While depositing the award amount to the bank, the concerned insurance company shall intimate the bank regarding the direction given in the award regarding Fixed Deposit.

(x) Presiding Officers of the MACT Tribunals shall segregate injury/death cases separately and on settlement, if on video conferencing, the recording of main part of conversation with the parties with the help of screen recording software/application may be captured which can be maintained in the office for future use or reference.

## **6. EARLIER REVISED GUIDELINES ISSUED QUA MACT CASES BE FOLLOWED WHICH ARE AS UNDER:**

### **1. SIMPLE INJURY CASES:-**

Rs. 10,000/ — in simple injury cases plus Medical expenses supported by Medical bill (supported by prescription or verification by doctor in court).

## **2. GRIEVOUS INJURY CASES:-**

**In case where disability certificate is not produced, but there is a case of grievous injury:**

- a) Fracture of both Tibia and Fibula with hospitalization — Rs. 50,000/- + Medical bills (supported by prescription or verification by doctor in court) + Hospitalization charges Rs. 600/- per day or as per valid document of charges.
- b) Fracture of only fibula - Rs. 25,000/- + Medical bills (supported by prescription or verification by doctor in court) + Hospitalization charges Rs. 600/- per day or as per valid document of charges.
- c) Fracture both the Lower Limb Rs.50,000/- +Medical bills ( supported by prescription or verification by doctor in court ) + Hospitalization charges Rs. 600/- per day or as per valid document of charges.
- d) Fracture both the Upper Limb Rs. 45,000/- + Medical bills (supported by prescription or verification by doctor in court) + Hospitalization charges Rs. 600/- per day or as per valid document of charges.
- e) Fracture of single lower and upper limp Rs 45,000/- + Medical bills ( supported by prescription or verification by doctor in court ) + Hospitalization charges Rs. 600/- per day or as per valid document of charges.
- f) Fracture on other part of Body Rs. 15,000/- for each fracture ( as per nature of fracture ) + Medical bills upto 10,000/- supported by prescription, above 10,000/- verification by Doctor in court + Hospitalization charges Rs. 600/- per day or as per

valid document of charges.

**3. PERMANENT DISABILITY:-**

Certificate regarding permanent disability shall be issued from the Government Medical Board and in case of dispute the opinion of Doctor/ Medical Board or the provisions of the Workmen's Compensation Act, 1923 will be given preference.

**a) Permanent Disability Up to 10% :-**

Rs. 50,000/- for permanent disability up to 10% + medical expenses ( supported with prescription ) + Hospitalization charges Rs. 600/- per day or as per valid document of charges.

**b) Permanent Disability: More than 10% and up to 25%:-**

Rs. 25,000/- (NET)+ Rs. 4000/-for each percent of disability + Medical bills( supported with prescription ) + Hospitalization charges Rs. 600/- per day or as per valid document of charges.

**c) Permanent Disability: More than 25% and up to 50%**

Rs. 25,000/- (NET) + Rs. 5000/-for each percent of disability + Medical bills (supported with prescription) + Hospitalization charges Rs. 600/- per day or as per valid document of charges.

**d) Permanent Disability: More than 50%**

Rs. 25,000/- (NET) + Rs. 6000/- for each percent of disability Medical bills (supported with prescription) + Hospitalization charges Rs. 600/- per day or as per valid document of charges.

**NOTE: 1)** In case of children suffering disability on account of Motor Vehicle Accident- Master Mallikarjun Vs Divisional Manager, The

National Insurance Company & Ors. 2013 0 ACJ 2445 may be followed.

2) The Compensation in permanent disability cases above may vary depending upon age of victim.

#### **4. OTHER HEADS OF COMPENSATION UNDER INJURYCASES:**

##### **(a) Pain and Sufferings:**

<b>S.No.</b>	<b>Age of the injured Claimant</b>	<b>Amount Payable</b>
1.	Upto 30 years	<b>25% of total Award</b> (Excluding Medical bills/ Expenses)
2.	Above 30 years upto 40 years	<b>20% of total Award</b> (Excluding Medical bills/ Expenses)
3.	Above 40 years upto 50 years	<b>17.5% of total Award</b> (Excluding Medical bills/ Expenses)
4.	Above 50 years upto 60 years	<b>15% of total Award</b> (Excluding Medical bills/ Expenses)
5.	Above 60 Years	<b>12.5% of total Award</b> (Excluding Medical bills/ Expenses)

(b) **Loss of income:** Only in proven income cases where medical leave record is provided by claimant & in case of private and daily wagers per day income may be computed as per annexed chart of Notional Income for the hospitalization period.

(c) **Expenditure on attendants:** Case to Case basis looking into the circumstance and facts of the case.

(d) **Future prospects:** In case of permanent disability (irrespective of percentage of disability), if a person has been found permanently in



capable of doing his/her previous profession, vocation or business and his/her income generating capacity has been adversely affected, the future prospect shall be awarded in accordance with the judgment of Hon'ble Supreme Court in **Pappu Dev Yadav Vs. Naresh Kumar & others, AIR 2020 SC 4424.**

## **5. DEATHCASES:**

### **(a) In case of Stable and Permanent jobs:-**

The net salary after Income Tax is to be taken as base and as per **National Insurance Company Limited v Pranay Sethi: AIR2017 SC 5157,** the dependency and multipliers are to be taken. Assessment Order from Income Tax Office is must for assessing income since mere submission of ITR is not a sufficient evidence of income.

### **(b) In case of unproved income & Self-employed and non-permanent:-**

- a ) Deduction on Self—expenses ( based on number of dependents ) and Multiplier shall be as per **Sarla Verma v Delhi transport Corporation, AIR 2009 SC3104.**
- b ) For unproved income applicable Minimum Wages in the State of Madhya Pradesh as on date of accident is to be considered for computation of compensation.
- c ) In case of death of Bachelor, deduction of 50% for self expenses is to be considered and multiplier is to be taken on the basis of Age of deceased.

### **(c) In case of Child Death:**

- a ) Up to the age of 5 years — Rs. 2.50 Lac

b ) Between 5 years to 10 years — Rs. 3.50 Lac

c ) Between 10 years to 15 years — Rs. 05 Lac

(As per Judgment of the Hon'ble Supreme Court in **Kishan Gopal v. Lala, (2014) 1 SCC 244**)

**(d)** In case of Non-earning Child/ Youth Death: Above 15 years to 21 years -  
To be assessed on basis of Notional Income Rs.30,000 per annum.

**(e) Other consideration in Death Cases:** As per the Judgment of Hon'ble Supreme Court in **National Insurance Company Limited vs. Pranay Sethi: AIR 2017 SC5157.**

a) **Future Prospects:** As per the Judgment of Hon'ble Supreme Court in Pranay Sethi.

b) **Consortium:** Rs. 40,000/-

c) **Funeral Expenses:** Rs. 15,000/-

d) **Loss of Estate:** Rs. 15,000/-

**NOTE:** Above conventional Heads (b to d) shall be revisable @ 10% in every three years as per Pranay Sethi (Supra).

**f) Interest:** All payments shall be made within 2 months from the date of award failing which an interest at the rate of 7-9% per annum shall be payable for the subsequent period (i.e. after 2 months from the date of award) till payment is made.

**6. FURTHER REFERENCE CAN BE TAKEN OF JUDGMENTS VIZ.**

**a) CONVENTIONAL HEADS:-**

**1. Magma General Insurance Company Limited [(2018) 18 SCC130]**

- Loss of Consortium includes:
  - i. Spousal consortium
  - ii. Parental consortium
  - iii. Filial consortium
- Absence of any evidence as to income of the deceased and consideration of minimum wages is proper.

**2. The New India Insurance Co. Ltd. Vs Smt. Somvati & ors.**

**(2020) 01 ACJ 2321:** A comprehensive interpretation regarding consortium to include Spouse, Parental as well as Filial Consortium was given by Hon'ble Supreme Court in case of Magma General (Supra). Loss of love & affection is comprehended in loss of consortium. Hon'ble Supreme Court has held that these are the legitimate conventional heads and no justification to award compensation towards loss of love & affection as a separate head.

**Illustration-** Deceased 'A' left behind a widow and three children as his dependents, on the basis of Pranay Sethi & Magma General Insurance Co. Ltd. (supra), the following may be awarded under the Conventional Heads-

- Loss of Estate- Rs. 15,000/-
- Loss of Consortium-
  - i. Spousal Consortium- Rs. 40,000/-
  - ii. Parental Consortium- Rs. 40,000/- X 3= 1,20,000/-
- Funeral Expenses- Rs. 15,000/-

b) **FUTURE PROSPECTS, WHERE THERE IS NO PROOF OF INCOME**

(i) **(2018) 4 SCC 571 (Jagadish Vs Mohan & Others)-**

By following guidelines laid down in Pranay Sethi case, Hon'ble Supreme Court held that benefit of future prospects should not be confined only to those who have a permanent job and would extend to self-employed individuals.

(ii) **Rajendra Singh Vs. National Insurance Company Ltd. 2020 0 ACJ 2211.**

Hon'ble Supreme Court has held that the determination of just and proper compensation to the appellant with regard to the deceased child, in the entirety of the facts and circumstances of the case does not persuade to enhance the compensation under the separate head of future prospect.

(iii) **Kirti and Anr. Vs Oriental Insurance Company 2021 0 Supreme (SC) 6**

Hon'ble the Supreme Court has held that grant of future prospects is no longer res integra and stands crystallized as is clear from the following extract of the Constitutional Bench Judgment in Pranay Sethi (supra) – **Para 59.4**. In case the deceased was self-employed or on a fixed salary, an addition of 40% of the established income should be the warrant where the deceased was below the age of 40 years. An addition of 25% where the deceased was between the age of 40 to 50 years and 10% where the deceased was between the age of 50 to 60 years should be regarded as the

necessary method of computation. The established income means the income minus the tax component.

**c) DETERMINATION OF COMPENSATION ON AGE BASIS**

**[(2019) SCC Online SC 1029] Joginder Singh and Another Vs ICICI L.G.I. Co. Ltd and Royal Sundaram Alliance Insurance Co. Ltd Vs Mandala Yadagari Goud (2019 5 SCC 554)**

- The Age of deceased has to be taken into account and not the age of the dependants.

7. Learned Advocates of claimant shall provide the copy of insurance policy/ related case details to the insurance companies (at the time of Pre- Counseling or on date of settlement or within 7 days of award at Lok Adalat) for facilitating early payment of award amount to the claimant.

**Note: No compromise in cases where—**

**For High Court cases**

- Company is exonerated in Lower Court.

**For Tribunal Cases:**

- Where breach of policy conditions is there.
- Liability is not admissible as per law or coverage in the policy.
- There is any suspected manipulation or false involvement of vehicle.
- Delay in FIR (unless supported by documentary evidence to establish the accident and involvement of insured vehicle) decision to be based on merits of the case.

**FOLLOWING the “NOTIONAL INCOME” CHART:**

Uniformity has to be there for awarding compensation towards 'loss of income', 'loss of income during laid up period' and 'loss of future prospects'. In many a case there would be no proof of income and in such circumstances, the Court may adopt the notional income indicated in the following table and same is also being considered for settlement of cases before the concerned Presiding Officer. Notional Income may be assessed as per the table as under:

<b>PERIOD</b>	<b>UNSKILLED</b>		<b>SEMI SKILLED</b>		<b>SKILLED</b>	
	<b>Per Month</b>	<b>Per Day</b>	<b>Per Month</b>	<b>Per Day</b>	<b>Per Month</b>	<b>Per Day</b>
<b>01/04/2010 to 30/09/2010</b>	<b>3995</b>	<b>153.64</b>	<b>4125</b>	<b>158.65</b>	<b>4275</b>	<b>164.42</b>
<b>01/10/2010 to 31/03/2011</b>	<b>4145</b>	<b>159.41</b>	<b>4275</b>	<b>164.42</b>	<b>4425</b>	<b>170.19</b>
<b>01/04/2011 to 30/09/2011</b>	<b>4395</b>	<b>169.03</b>	<b>4525</b>	<b>174.04</b>	<b>4675</b>	<b>179.81</b>
<b>01/10/2011 to 31/03/2012</b>	<b>4545</b>	<b>175.07</b>	<b>4675</b>	<b>180.08</b>	<b>4825</b>	<b>185.85</b>
<b>01/04/2012 to 30/09/2012</b>	<b>4770</b>	<b>183.45</b>	<b>4900</b>	<b>188.46</b>	<b>5050</b>	<b>194.23</b>
<b>01/10/2012 to 31/03/2013</b>	<b>4945</b>	<b>190.19</b>	<b>5075</b>	<b>195.20</b>	<b>5225</b>	<b>200.97</b>
<b>01/04/2013 to</b>	<b>5270</b>	<b>202.69</b>	<b>5400</b>	<b>207.70</b>	<b>5550</b>	<b>213.47</b>

<b>30/09/2013</b>						
<b>01/10/2013 to 31/03/2014</b>	<b>5520</b>	<b>212.30</b>	<b>5650</b>	<b>217.31</b>	<b>5800</b>	<b>223.08</b>
<b>01/04/2014 to 30/09/2014</b>	<b>5845</b>	<b>224.81</b>	<b>5975</b>	<b>229.81</b>	<b>6125</b>	<b>235.58</b>
<b>01/10/2014 to 31/03/2015</b>	<b>5895</b>	<b>226.72</b>	<b>6025</b>	<b>231.73</b>	<b>6175</b>	<b>237.50</b>
<b>01/04/2015 to 31/09/2015</b>	<b>6239</b>	<b>239.95</b>	<b>7357</b>	<b>282.95</b>	<b>8735</b>	<b>335.95</b>
<b>01/10/2015 to 31/03/2016</b>	<b>6575</b>	<b>252.88</b>	<b>7432</b>	<b>285.84</b>	<b>8810</b>	<b>338.84</b>
<b>01.04.2016 to 31.09.2016</b>	<b>6850</b>	<b>263.46</b>	<b>7707</b>	<b>296.42</b>	<b>9085</b>	<b>349.42</b>
<b>01.10.2016 to 31.03.2017</b>	<b>6950</b>	<b>267.30</b>	<b>7807</b>	<b>300.26</b>	<b>9185</b>	<b>353.26</b>
<b>01.04.2017 to 31.09.2017</b>	<b>7125</b>	<b>274.07</b>	<b>7982</b>	<b>307.00</b>	<b>9360</b>	<b>360</b>
<b>01.10.2017 to 31.03.2018</b>	<b>7125</b>	<b>274.07</b>	<b>7982</b>	<b>307.00</b>	<b>9360</b>	<b>360</b>
<b>01.04.2018 to 31.09.2018</b>	<b>7325</b>	<b>281.73</b>	<b>8182</b>	<b>314.69</b>	<b>9560</b>	<b>367.69</b>
<b>01.10.2018 to 30.03.2019</b>	<b>7375</b>	<b>283.65</b>	<b>8232</b>	<b>316.65</b>	<b>9610</b>	<b>396.65</b>
<b>01.04.2019 to 30.09.2019</b>	<b>7700</b>	<b>296.00</b>	<b>8557</b>	<b>329</b>	<b>9935</b>	<b>382.00</b>
<b>01.10.2019</b>	<b>7950</b>	<b>306</b>	<b>8807</b>	<b>339</b>	<b>10185</b>	<b>392</b>

to 31.03.2020						
01.04.2020 to 30.09.2020	8275	318	9132	351	10510	404
01.10.2020 to 31.03.2021	8400	323	9257	356	10365	409

**NOTE:**

- I. The aforesaid income chart is endorsed by Labour Department, Govt. of Madhya Pradesh.
- II. The aforesaid guidelines are being circulated with a view to reach at a just and fair decision/order and are illustrative and not exhaustive. The stakeholders are at liberty to take their own decision considering the merits of the case and keeping in view the parameters laid down in judgments passed by Hon'ble the Supreme Court.

**7. THE SETTLEMENT OF LAND ACQUISITION CASES: {EXECUTION CASES}:**

- (i) To concentrate on LAC Execution cases pending in the trial courts in the State. The Concerned Courts shall prepare a list of Execution Cases preferably for lesser award amount and grouping them for a sum less than Rs. 5,00,000/- above Rs. 5,00,000/- to below Rs. 10,00,000/- above Rs. 10,00,000/- to below Rs. 20,00,000/- and above Rs. 20,00,000/- and handover the list to DLSA/TLSC.



- (ii) The Courts having LAC Execution cases shall request the parties to submit Memo of calculation with upto date interest and send the list to DLSAs.
- (iii) DLSAs to hold meeting with District Level Officers, Special LAO, CEO of Nigams & motivate them to settle more cases.

**8. N.I. ACT CASES : (CONCERNED JUDGE SHALL GROUP THE CASES BASED ON COMPANIES/FIRM):**

- (i) The Judicial Officer shall prepare a list of N.I. Act cases based on cheque amount, upto 2,00,000/- or above 2,00,000/- separately and they should concentrate to get settled cases.
- (ii) In NI Act Cases, the coordinating judge or concerned Judge shall hold meeting with the officers of Company or Finance and try to identify a greater number of cases, which could be compounded.
- (iii) Police Officers are to be sensitized and ensure that services of summons/warrants are being effected upon the parties timely and preferably personally. WhatsApp services may also be availed.
- (iv) Concerned Judicial officer shall make endeavors to establish contacts with the parties either through VC or WhatsApp calling and shall conciliate them.
- (v) Maximum referral of cases involving amount upto two lacs be referred in Pre-Lok Adalat sittings.
- (vi) DLSAs may take help of Trained Mediators or Panel Advocates for resolving the disputes of amount involving in the cheque cases through mediation/conciliation.

- (vii) In **Damodar S. Prabhu Vs Sayed Babalal** [(2010) 5 SCC 663], Hon'ble Supreme Court laid down certain guidelines to encourage the litigants in cheque dishonor cases, to opt for compounding during early stages of litigation and laid down graded scheme of imposing costs on parties, who unduly delay in compounding of offence.
- (viii) Depending on the terms of a compromise arrived at before the Lok-Adalat it can be enforced as a Civil decree or in terms of the applicable provisions of Cr.P.C., including that under Section 431 of Cr.P.C., if so, provided in the compromise.

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