

IN THE SUPREME COURT OF INDIA  
CIVIL APPELLATE JURISDICTION

CIVIL APPEAL NOS..... OF 2026  
(@Special Leave Petition (Civil) Nos.38492 of 2025)

BHATLIBEN

... APPELLANT(S)

VERSUS

THE NATIONAL INSURANCE CO.  
LTD. & ORS.

...RESPONDENT(S)

O R D E R

Time taken for disposal of the claim petitions by the MACT	Time taken for the disposal of appeals by the High Court	Time taken for the disposal of the appeals in this Court
14 years 5 months 16 days	11 years 3 months 5 days	1 year 5 days

Leave granted.

2. The present appeal arises from the final judgment and order dated 10.01.2025 passed by the High Court of Gujarat at Ahmedabad in First Appeal No. 2950 of 2013.

By the impugned order, the High Court enhanced the compensation awarded to the appellant from Rs. 1,35,500/- to Rs. 2,42,300/-, which the appellant contends is still grossly inadequate and fails to reflect the true functional disability and loss of livelihood suffered by the deceased claimant.

3. The brief facts necessitating this appeal are that on 05.01.1995, the original claimant, Mansingbhai Chandubhai Bariya, then aged 18 and working as a mason, was riding as a pillion passenger on a bicycle when he was struck by a truck (bearing registration No. GJ-6-T-3331) driven rashly and negligently. The accident was so devastating that the claimant's left leg was run over and crushed, eventually leading to amputation below the knee.

4. During the pendency of the First Appeal before the High Court, the original claimant passed away on 08.10.2016, and his widow, Bhatliben, was impleaded as his legal heir to continue the pursuit of just compensation.

5. The Motor Accident Claims Tribunal (MACT), Vadodara, in its judgment dated 29.09.2009, had arbitrarily fixed the claimant's monthly income at Rs. 1,250/-, despite his claim of earning Rs. 3,000/- per month as a mason. Furthermore, the Tribunal and the High Court assessed his permanent functional disability at only 35%, ignoring the fact that a mason requires full mobility and the use of both legs to climb scaffolding and perform physically demanding manual labor.

6. We have heard the learned counsel for the parties and perused the records. The primary issues for our consideration are the assessment of monthly income and the determination of functional disability in light of the claimant's specific vocation.

7. Regarding monthly income, it is a settled principle of this Court, as held in *Ramachandrappa v. Manager, Royal Sundaram Alliance Insurance Co. Ltd.*<sup>1</sup>, that in the absence of documentary proof in the unorganized sector, the Court should accept the claimant's oral testimony unless it is completely detached from

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<sup>1</sup> (2011) 13 SCC 236

reality. For a skilled mason in 1995, a claim of Rs. 3,000/- per month is reasonable and not excessive.

8. On the issue of disability, this Court in *Raj Kumar v. Ajay Kumar*<sup>2</sup> and *Pappu Deo Yadav v. Naresh Kumar*<sup>3</sup> has emphasized that the percentage of "economic loss" or "loss of earning capacity" is not necessarily the same as the percentage of permanent physical disability. A person who loses a leg may suffer 100% functional disability if their profession—such as that of a mason or a driver—is one they can no longer perform.

9. Considering the claimant was only 18 years old and a mason by profession, the amputation of his left leg below the knee and fractures in his right leg effectively terminated his career. We, therefore, find it just to assess his functional disability at 100% for the purpose of calculating loss of future income.

10. Furthermore, given the severity of the injuries, the prolonged treatment, and the decades-long

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<sup>2</sup> (2011) 1 SCC 343

<sup>3</sup> (AIR 2020 SC 4424)

litigation, we enhance the awards under conventional heads to provide a "just" compensation:

11. Based on the aforementioned findings, the final compensation is re-calculated as follows:

Compensation Heads	Amount Awarded	In Accordance with:
Monthly Income	Rs.3,000/-	
Yearly Income	Rs.36,000/-	
Future Prospects (40%), age 33 years	36,000 + 40% of 36,000 = Rs. 50,400/-	<b>National Insurance Co. Ltd. v. Pranay Sethi</b> (2017) 16 SCC 680 Para 42 & 59.4
Multiplier (18)	50,400 × 18 = Rs. 9,07,200/-	
Permanent Disability (100%)	100% of 9,07,200/- = Rs. 9,07,200/-	<b>Arvind Kumar Mishra v. New India Assurance Co. Ltd.,</b> (2010) 10 SCC 254 Para 13 and 14
Loss of Income/ Future Earnings due to Disability	Rs. 9,07,200/-	
Medical Expenses	Rs. 10,000/-	

<b>Special Diet &amp; Transportation</b>	Rs. 15,000/-	<b>Sidram v. Divisional Manager, United India Insurance Ltd.</b> (2023) 3 SCC 439 Para 89 and 111
<b>Pain and Suffering</b>	Rs. 2,00,000/-	<b>K.S. Muralidhar v. R.</b>
		<b>Subbulakshmi and Anr.</b> 2024 SCC Online SC 3385 Para 13 and 14
<b>Loss of Happiness &amp; Amenities</b>	Rs. 1,00,000/-	<b>Raj Kumar v. Ajay Kumar</b> (2011) 1 SCC 343 Para 6
<b>Loss of Income during treatment</b>	Rs. 10,000/-	
<b>TOTAL</b>	<b>Rs. 12,42,200/-</b>	

The difference in compensation is as under:

<b>MACT</b>	<b>High Court</b>	<b>This Court</b>
Rs. 1,35,500/-	Rs. 2,42,300/-	Rs. 12,42,200/-

12. The Civil Appeal is allowed in the aforesaid terms. The total amount of Rs. 12,42,200/- (Rupees Twelve Lakh Forty-Two Thousand Two Hundred Only) shall carry interest at the rate of 7.5% per annum, as awarded by the Tribunal, from the date of filing the claim petition until realization. The issue of liability remains untouched. So, the Insurance Company (i.e. The National Insurance Co. Ltd.) shall satisfy the award.

13. The amount be directly remitted into the bank account of the claimant (legal heir of the deceased). The particulars of the bank account are to be immediately supplied by the learned counsel / amicus curiae for the appellant to the learned counsel for the respondent. The amount be remitted positively within a period of eight weeks thereafter. The period of delay in filing this appeal shall be excluded during the computation of interest.

14. Pending application(s), if any, shall stand disposed of.

.....J.  
(SANJAY KAROL)

.....J.  
(VIPUL M. PANCHOLI)

New Delhi  
April 23, 2026