

IN THE SUPREME COURT OF INDIA
CIVIL APPELLATE JURISDICTION
CIVIL APPEAL NO..... OF 2026

(@ Special Leave Petition (Civil) No. 35258 of 2025)

SATENDRA SINGH

... APPELLANT(S)

VERSUS

URVIJAY PRASAD UPADHYAYA & ORS.

...RESPONDENT(S)

O R D E R

Time taken for disposal of the claim petition by the MACT	Time taken for disposal of appeal by the High Court	Time taken for the disposal of the appeal in this Court
7 years 11 months 11 days	2 years 11 months 22 days	5 months 17 days

Leave granted.

2. The claimant-appellant, assailing the impugned judgment on the ground of inadequate award of compensation, has preferred the present appeal seeking enhancement of compensation.

3. The present appeal is directed against the judgment and order dated 08.08.2024 passed by the High Court of Madhya Pradesh in Miscellaneous Appeal No. 3089 of 2021, whereby the High Court enhanced the compensation awarded by the Motor Accident Claims Tribunal, Rewa, to a total of Rs. 14,22,507.

4. The factual matrix of the case reveals that on 18.06.2013, the Appellant, who was approximately 32 years of age and working as a manual labourer, was travelling as a pillion rider on a motorcycle. At about 12:30 PM, near Gerui petrol pump in District Rewa, a bus bearing registration No. MP 17 P 0882, driven rashly and negligently by Respondent No. 2, struck the motorcycle. The impact was severe, causing the Appellant to be thrown under the bus, resulting in grievous injuries to his head, right leg, and particularly his right elbow. Due to the irreparable nature of the injuries and the onset of gangrene, medical professionals were compelled to perform a life-altering surgery—the amputation of the Appellant's right arm near the elbow. The Appellant, a right-handed manual worker, was thus left with a permanent physical

impairment that fundamentally altered the trajectory of his life and livelihood.

5. The Appellant filed a claim petition under Section 166 of the Motor Vehicles Act, 1988, seeking compensation for the loss of limb, earning capacity, and the profound trauma endured. The 8th Additional Motor Vehicle Accident Claim Tribunal, Rewa, vide its judgment dated 17.08.2021, determined that the accident was caused by the negligence of the bus driver. However, in assessing compensation, the Tribunal determined the Appellant's monthly income at Rs. 4,000/- and, following the Schedule to the Workers' Compensation Act, assessed his functional disability at 60% for the purpose of calculating loss of future earnings. This resulted in an award of Rs. 8,98,371/-.

6. Aggrieved by the low quantum of compensation and the assessment of disability, the Appellant approached the High Court of Madhya Pradesh. The High Court, while revising the monthly income to Rs. 5,270/- (plus 40% future prospects) based on minimum wages, chose to uphold the Tribunal's finding that the Appellant had

suffered only 60% functional disability. Furthermore, the High Court, like the Tribunal before it, failed to grant any compensation for loss of marriage prospects and provided inadequate sums for pain, suffering, and attendant charges.

7. We have heard the learned counsel for the parties and scrutinized the material on record. The core issue before this Court is whether the lower courts were justified in mechanically applying a 60% disability factor to a manual labourer who has lost his dominant arm. It is a settled principle of law that physical disability must not be equated directly with functional disability; rather, the Court must assess the impact of the injury on the specific vocation of the claimant.

8. The Appellant in the present case was a manual labourer whose livelihood depended entirely on physical strength and the use of both limbs. For such an individual, the amputation of a dominant arm near the elbow is not merely a partial impairment; it is a total destruction of his capacity to perform the only work he is skilled to do. A one-armed labourer cannot engage

in construction, lift heavy loads, or compete in the unskilled labour market. Consequently, we find that the High Court and the Tribunal erred in law by restricting the functional disability to 60%. In the facts and circumstances of this case, we hold that the functional disability of the Appellant must be treated as 100% for the purpose of calculating the loss of earning capacity and the compensation under various heads shall accordingly be enhanced.

9. Hence, the final compensation is re-determined and awarded as per the chart mentioned below:

Compensation Heads	Amount Awarded (as per law)	In accordance with
Monthly Income	Rs. 5,270/-	<i>National Insurance Co. v. Pranay Sethi (2017) 16 SCC 680 Para 42 & 59</i>
Yearly Income	5270 x 12 = Rs.63,240/-	
Future Prospects (40%)	Rs. 63,240/- + 25,296/- = Rs. 88,536/-	
Multiplier	16	
Permanent disability (functional)	100%	
Loss of future income	88,536 x 16 = Rs. 14,16,576/-	

Loss of earning (during hospitalisation)	Rs. 15,810/- (5270 x 3 months)	<i>M. J. Parameshwarappa v. New India Assurance Co. Ltd. (2022) 17 SCC 51 Para 12 & 13</i>
Medical Expenses/Hospitalization awarded	Rs. 3,72,071/-	<i>Parminder Singh v. Honey Goyal, 2025 SCC Online SC 567 Para 10, 11 & 12</i>
Future medical expenditure	Rs. 5,000/-	
Attendant charges, Transportation and Special Diet	Rs. 90,470/-	<i>Kajal v. Jagdish Chand (2020) 4 SCC 413 Para 19 and 25</i>
Loss of marriage prospects	Rs. 2,00,000/-	
Pain & suffering	Rs. 2,00,000/-	<i>K. S. Muralidhar v. R. Subbulakshmi and Anr. 2024 SCC Online SC 3385 Para 13 and 14</i>
Loss of amenities and enjoyment of life	Rs. 1,50,000/-	
TOTAL	Rs. 24,49,927/-	

10. Thus, the difference in compensation is as under:

MACT	High Court	This Court
Rs. 8,98,371/-	Rs. 14,22,507/-	Rs.24,49,927/-

11. The enhanced amount of compensation shall carry interest at the rate of 6% per annum as awarded by the Tribunal from the date of filing the claim petition until realization.

12. The appeal is allowed on the aforesaid terms. The issue of the liability remains untouched. So, the insurance company i.e. Oriental Insurance Company Limited shall satisfy the award.

13. The amount is to be directly remitted into the bank account of the claimant-appellant(s). The particulars of the bank account are to be immediately supplied by the learned counsel for the appellant to the learned counsel for the respondents. The amount be remitted positively within a period of eight weeks, thereafter. The period of delay, if any, 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