IN THE HIGH COURT OF JHARKHAND AT RANCHI

M. A. No. 391 of 2015

Prabal Kumar Gupta, S/o Late Basunnendra Gupta, residing at 4, Radha Govind Street, Ranchi, P.O.- GPO Ranchi, P.S.- Kotwali, District - Ranchi.

... Claimant/Appellant

Versus

1. National Insurance Co. Ltd. Div. No. 10, Flat No. 101-106, N-1, B.M.C. House, Cannaught Place, PO & PS- Connaught Place, New Delhi, having its office at Sachindra Sadan, S.N. Ganguli Road, P.O-GPO, P.S.- Kotwali, Ranchi.

… Opp. Party/Respondent

2. Sri Sanjeev Kumar Singh, S/o Bhagwan Prasad Singh, At & P.O. Lapung, P.S. Silli, District - Ranchi.
3. The Oriental Insurance Co. Ltd. Dangratoli Chowk, PO & PS- Lalpur, Ranchi.
4. V.K. Verma, S/o Late O.P. Verma Panchwati Puram, Booty Road, Ranchi, P.O. & P.S. Bariatu, District - Ranchi.

... Opposite Parties/Respondents

CORAM: HON'BLE THE CHIEF JUSTICE

For the Appellant: Mr Arvind Kumar Lall, Advocate
For the Respondents: Mr Manish Kumar, Advocate
Mr Amaresh Kumar, Advocate
Ms Rashi Sharma, Advocate
Ms PLuja Raj, Advocate
Mr Anand Prakash, Advocate

Reserved on: 14.08.2026 Pronounced on:**25/08/2026**

1. Heard the learned counsel for the parties.

2. M.A. No. 391 of 2015 by the appellant (original claimant) challenges the Judgment and Award dated 18.02.2015 of the Motor Accident Claims Tribunal, Ranchi (Tribunal), in Compensation Case No. 91 of 2004, whereby the Tribunal awarded a total compensation of Rs. 5,43,000/- with interest @ 9% per annum from the date of closure of evidence (29.03.2011).

3. The appellant contends that the Tribunal applied a wrong test and procedure; failed to take into account future prospects; ignored the suffering arising from premature retirement; treated the medical disability of 50% as the measure of functional disability; overlooked the monthly income of Rs. 38,724/- and the consequent inability to continue in service; and declined to award any amount towards the services of a driver. The appellant, therefore, contends that the compensation determined is meagre and not “just compensation”.

4. Learned counsel for the respondents-Insurance Companies submitted that the Tribunal has correctly assessed the compensation on the basis of the evidence on record; that the claimant continued in service for nearly five years after the accident with an increase in salary; that the medical expenses stood reimbursed by the employer; and that several heads of claim are either unproved or remote. Accordingly, it was submitted that this Court has no reason to interfere with the compensation awarded by the learned Tribunal.

5. Based on the rival arguments and material on record, the following points for determination arise in this appeal: -

(1) Whether the Tribunal erred in declining compensation towards loss of future earnings and in its approach to the assessment of functional disability?

(2) Whether the compensation awarded by the Tribunal is “just and reasonable” and requires enhancement under the heads of pain and suffering, attendant/driver charges, special diet,

future medical expenses and permanent disability/loss of amenities?

6. Insofar as the first point for determination is concerned, the Tribunal recorded that the claimant, who was serving as Deputy Sales Manager, continued in service till 2008 and that his salary had increased from Rs. 38,724/- per month in 2003 to approximately Rs. 50,000/- per month at the time of resignation. There is no evidence on record of denial of promotion or increment on account of the injuries.

7. Having carefully perused the evidence, this Court is unable to agree with the Tribunal's conclusion that no loss whatsoever has taken place under the head of loss of future earnings. While the material on record does not establish a complete cessation of earning capacity, the evidence is certainly not one-sided.

8. As per the evidence on record, the claimant continued to discharge his duties for nearly five years after the accident, during which period his remuneration increased substantially. Also, there is no evidence of any denial of promotion, reduction in salary, loss of allowances or alteration of service conditions attributable to the injuries. These circumstances weigh against treating the resignation as wholly forced by the accident.

9. However, the fact that the claimant continued in service for several years does not, by itself, negate the effect of the permanent physical impairment. Of significance is the fact that, in his resignation letter

(Ext. 02), the claimant contemporaneously attributed his decision to resign to the physical difficulties arising from the injuries. Concomitantly, it is pertinent to mention that he had a service period of almost 7 years remaining on the date of his resignation. The claimant deposed to this fact, and the evidence withstood the rigour of cross-examination. This circumstance, viewed alongside the nature of the injuries and the permanent disability certified by the Medical Board, provides a reasonable basis to conclude that the injuries had a continuing functional impact upon him.

10. The residual physical limitations relied upon by the claimant must be tested against the actual demands of his post as Deputy Sales Manager, a role that, while not physically strenuous in the manner of manual labour, requires regular travel, field visits, and sustained mobility for client interaction. The permanent disability certified by the Medical Board, even where it did not prevent the claimant from discharging his duties, would reasonably have made these aspects of the job more difficult and less efficient than before the accident. This is a real, though partial, impairment of his working capacity, and it is this impairment, not the medical percentage as such, that this Court must value.

11. The settled position of law is that the percentage of medical disability cannot be mechanically adopted as the measure of functional disability. What is required to be examined is the actual effect of the permanent disability upon the claimant's capacity to perform the activities incidental to his avocation **(Raj Kumar v. Ajay Kumar, (2011) 1 SCC 343; M. Paramesh v. VRL Logistics Ltd., 2026 INSC 655; Shankar Dutt v. United India Insurance Co. Ltd., 2026 INSC 656; and R. Halle v. Reliance General Insurance Co. Ltd., 2026 INSC 260).**

12. On an overall assessment of the evidence, the uninterrupted service and rising salary on one side, and the residual permanent impairment together with the claimant’s assertion of physical difficulty in his resignation letter (Ext. 02) on the other, this Court assesses the functional impact of the disability at 25%. This figure reflects a real, but partial, erosion of working capacity. It is neither nil, as the Tribunal held, nor commensurate with the full medical disability of 50%.

13. This Court has already held, in disagreement with the Tribunal, that the claimant's loss of future earning capacity cannot be treated as nil. At the same time, the loss here is not of the kind that lends itself to precise arithmetic computation; it is not a case of a demonstrated fall in income, denial of promotion, or downgrading of post, of the kind ordinarily quantified by applying a percentage of income to a multiplier.

14. The claimant's salary, in fact, rose during the period he remained in service. The loss instead lies in the continuing physical difficulty with which that service was rendered, and the residual impairment of capacity going forward, the very impairment which, as per the dictum of the Hon'ble SC in the case of **Raj Kumar v. Ajay Kumar, (Supra)**, sits at the boundary between loss of future earnings and loss of amenities, and is liable to be counted twice if awarded separately under both heads.

15. The decision in **Raj Kumar (supra)** illustrates this by referring to a clerk who loses a hand but continues in the same post. The Hon'ble Court explains that in such a case, the loss of future earning capacity may be minimal or even absent, but the loss of amenities caused by the same disability would still be compensable. However, where one head is given full weight, the other should be kept nominal to avoid duplication of compensation.

16. The claimant's case falls somewhere in between. The evidence shows neither a clear loss of earning capacity nor an absence of any loss. Therefore, to give due effect to the loss of future earning capacity, while also considering the overlapping loss of amenities caused by the same disability, this Court considers it appropriate to award a single consolidated amount under both heads, instead of calculating them separately.

17. The Tribunal had awarded a sum of Rs. 4,00,000/- under the head of permanent disability/loss of amenities of life. Having regard to the residual functional disability of 25%, the nature of the injuries, the age of the claimant, and the period of service remaining to him, this Court considers it just and appropriate to enhance the said amount to Rs. 7,00,000/- (Rupees Seven Lakhs only) under the combined head of loss of future earnings/permanent disability/loss of amenities of life.

18. The first point for determination is answered accordingly.

19. Turning to the second point, the Tribunal awarded Rs. 1,00,000/- towards pain and suffering. The medical evidence on record conclusively proves the fact that the claimant remained hospitalised for a considerable period and was thereafter bed-ridden for about three months. For a further period of three months, he could move only with the aid of a walker. The residual permanent disability continues to affect his mobility and daily activities. Having regard to the severity of the injuries, the prolonged period of hospitalisation and recovery, the surgical interventions and the enduring physical discomfort, this Court is of the considered view that the amount awarded by the Tribunal under this head is inadequate. Accordingly, the compensation towards pain, suffering and trauma is enhanced to Rs. 2,00,000/-.

20. Under the head of attendant charges, the Tribunal awarded Rs. 18,000/- calculated at the rate of Rs. 3,000/- per month for a period of six months. The nature of the injuries as discussed hereinabove made it impossible for the claimant to drive a vehicle himself in the months following his discharge from hospital. Although the driver engaged by the claimant was not examined as a witness, the requirement of assistance for transportation during the period of recovery is a natural and reasonable consequence of the injuries.

21. In these circumstances, while maintaining the attendant charges of Rs. 18,000/- awarded by the Tribunal, a further sum of Rs. 36,000/- is awarded towards the services of a driver for an initial period of twelve months. The total compensation under the combined head of attendant and driver charges is, therefore, determined at Rs. 54,000/-. The award of Rs. 25,000/- towards special diet is just and reasonable and, therefore, does not call for any interference.

22. Additionally, having regard to the nature of the injuries, the prolonged period of treatment and the restricted mobility of the claimant during the period of recovery, a further sum of Rs. 20,000/- towards conveyance and incidental expenses is considered just and reasonable and is accordingly awarded.

23. The Tribunal declined any amount towards future medical expenses. The nature of the orthopaedic injuries suffered by the claimant makes it reasonable to expect continuing medical needs. Although the precise expenditure which may be incurred in future cannot be established with mathematical certainty, compensation under this head is intended to meet reasonably foreseeable medical requirements arising from the accident. In the absence of evidence warranting a higher assessment, a sum of Rs. 50,000/- is considered reasonable and is accordingly awarded to the claimant.

24. The Tribunal's findings declining compensation for medical expenses already reimbursed by the employer, for repeated journeys to Delhi unconnected with treatment, and for the amount paid on resignation are affirmed.

25. The second point for determination is answered accordingly.

26. On the overall quantum, the claimant is entitled to the following amounts:

> **(a) Pain, suffering and trauma: Rs. 2,00,000/-**
> **(b) Special diet: Rs. 25,000/-**
> **(c) Conveyance and incidental expenses: Rs 20,000/-**
> **(d) Attendant and driver charges: Rs. 54,000/-**
> **(e) Future medical expenses: Rs. 50,000/-**
> **(f) Loss of future earnings / permanent disability/loss of amenities of life: Rs. 7,00,000/-**

Total: Rs. 10,49,000/-, rounded off to <u>Rs. 10,50,000/-</u>.

27. The Tribunal directed that interest run only from the date of closure of evidence. Under Section 171 of the Motor Vehicles Act, interest compensates the claimant for the deprivation of the sum due from the date of the claim petition. In the absence of any delay attributable to the claimant, interest must run from the date of institution of the claim petition. The rate of interest is fixed at 6% per annum from the date of the claim petition until actual realisation.

28. The finding that both the vehicles were equally responsible for the accident and that the liability of the two insurers is to be shared equally is not under challenge and is affirmed.

29. The appeal is accordingly allowed in part. The compensation amount is enhanced from Rs. 5,43,000/- to Rs. 10,50,000/-, with interest at 6% per annum from the date of filing the claim petition until actual realisation.

30. The enhanced amount shall be shared equally between the Oriental Insurance Co. Ltd. and the National Insurance Co. Ltd.

31. The respondents-Insurance Companies are directed to deposit their respective shares of the enhanced compensation with this Court within six weeks from today, after giving due intimation to the learned counsel for the appellant. Any amount already paid shall be adjusted.

32. Once the amount is deposited, the Registry shall permit the appellant to withdraw the same by transfer into his bank account. Under no circumstances should the transfer be made otherwise than through regular banking channels.

33. The learned counsel for the appellant shall furnish the identity and bank details of the appellant so that the transfer can be effected at the earliest.

34. The appeal is allowed in part and disposed of in the above terms, without any order as to costs. Pending interlocutory applications, if any, stand disposed of.

(M. S. Sonak, C.J.)

August 25, 2026
A.F.R.
Manoj/Cp.2
Uploaded on 25.08.2026