IN THE HIGH COURT OF JHARKHAND AT RANCHI

M.A. No. 207 of 2014

Raj Kumar Choudhary, s/o Sri Sarju Choudhary, r/o Village & P.O. Dumardaga, P.S. Sadar, Dist. Ranchi.

... Claimant / Appellant

Versus

1) The Oriental Insurance Co. Ltd. Divisional Office at P.O., P.S. & Dist. Hazaribagh.
2) Ram Lal Prasad @ Ram Lal Prasad Sahu 'Jan Sewa Parishad', Main Post Office, Near House of Krishna Kumar Singh, Advocate, Julu Park, P.O., P.S. & Dist. Hazaribagh.

…. Opposite Parties/Respondents

3) The United India Insurance Co. Ltd., Doranda Branch, P.O. & P.S. Doranda, Dist. Ranchi.

Opposite Party No.2/Performa Opposite Party

CORAM: HON'BLE THE CHIEF JUSTICE

For the Appellant: Mr Vincent Rohit Marki, Advocate
Mr Shantanu Gupta, Advocate

For Resp. No.1/Ins.Co.: Mr Alok Lal, Advocate

Reserved on: 18.07.2026 **Pronounced on: 29/07/2026**

1. Heard learned counsel for the parties.

2. M.A. No. 207 of 2014 by the appellant (original claimant) challenges the Judgment and Award dated 14.02.2014 of the Motor Vehicles Accident Claims Tribunal, Ranchi (Tribunal), in Compensation Case No. 87 of 2007, whereby the Tribunal awarded a total compensation of Rs. 1,55,000/- with interest @ 6% per annum from the date of settlement of issues, i.e. 11.01.2012, till the date of realisation. The appellant contends that the compensation determined is too meagre and not "just compensation".

3. Mr Vincent Rohit Marki and Mr Shantanu Gupta, learned counsel for the appellant, contended that the Tribunal failed to make any addition towards loss of future earnings; failed to appreciate that on account of functional disability, the appellant suffered by not securing promotions and salary commensurate with that of his peers; and erred in making no award towards future medical expenses, physiotherapy, etc.

4. The learned counsel for the appellant submitted that even the compensation awarded towards non-pecuniary damages is totally inadequate and contrary to law.

5. Thereafter, the learned counsel for the appellant relied on **R.D. Hattangadi v. Pest Control (India) Pvt. Ltd.**, reported in (1995) 1 SCC 551, **Raj Kumar v. Ajay Kumar**, (2011) 1 SCC 343, **M.R. Krishna Murthi v. New India Assurance Co. Ltd.,** reported in 2019 SCC OnLine SC 315 **Shankar Dutt v. United India Insurance Co. Ltd.,** 2026 INSC 656, and **R. Halle v. Reliance General Insurance Co. Ltd.,** 2026 SCC OnLine SC 433.

6. Mr Alok Lal, Advocate, learned counsel appearing for the respondent Insurance Company, submitted that the appellant, admittedly, was drawing a higher salary of Rs. 15,000/- per month at the time of trial as against Rs. 10,000/- per month at the time of the accident, and that in the absence of any evidence of actual pecuniary loss, the award issued by the Tribunal is fair and correct as per the canons of established principles of law. He further submitted that the Tribunal was justified in declining compensation under the head of loss of future earnings. He lastly submitted that in the absence of specific medical evidence regarding the necessity of future treatment, the Tribunal rightly declined to award any amount under that head.

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

(i) Whether the impugned award is vitiated for not considering the various aspects of functional disability?

(ii) Whether the Tribunal has awarded "just compensation" in the facts and circumstances of the present case?

8. Insofar as the first point for determination is concerned, reference can usefully be made to the decision of the Hon'ble Supreme Court in the case of **Raj Kumar v. Ajay Kumar (supra)**, in which the Hon'ble Supreme Court held that emphasis should not be merely on the percentage of medical disability, but on that of functional disability. To the same effect are the other decisions relied upon by the learned counsel for the appellant.

9. In this case, the Tribunal, quite cursorily, refused to even go into the aspects of functional disability by simply observing that the appellant, at the time of the accident, was drawing a salary of Rs. 10,000/- per month, but at the time when he deposed in the matter, his salary had increased to Rs. 15,000/- per month. This is not correct.

10. Though the appellant's salary may have increased from Rs. 10,000/- to Rs. 15,000/-, the question is whether this increase was commensurate with the increase secured by his peers, who did not suffer on account of any vehicular accident and consequent medical/functional disability.

11. The appellant in this case was employed as a peon-cum-bearer. There was clear evidence on record that he was proficient in technical works which were assigned to him from time to time. He deposed that, but for the accident and the disablement suffered by him therein, he would have been promoted to a post in which he would have earned Rs. 35,000/- per month.

12. AW No. 1, Bhagirath Kumar Jhala, a colleague of the appellant at his workplace, deposed in this matter. He deposed clearly and unambiguously that the appellant, on promotion, would have easily drawn a salary of a minimum of Rs. 25,000/- per month. However, on account of the disability suffered by the appellant, the appellant could not secure promotion to a post that would have earned at least Rs. 25,000/- per month. Significantly, there was no serious cross-examination of the clear and unambiguous testimony of the appellant and his witness Bhagirath Kumar Jhala (AW-1). All this evidence has been completely ignored by the Tribunal.

13. Accordingly, in this case, it was important that the Tribunal determine the functional disability based on various factors, including the medical disability certificate, the nature of work being discharged by the appellant, and the impact of the injuries/disablement on the appellant's ability to discharge such work.

14. Based on the evidence on record, it would be safe to determine the functional disability in this case at 25%, even though the medical certificate refers to the medical disability at 45%. This is because the appellant, who was appointed as a peon-cum-bearer, cannot be said to have been disabled from discharging any of his duties or securing normal promotion. But, at the same time, had the appellant not met with the accident and been disabled, he could have surely secured promotions that would have earned him a monthly salary of a minimum of at least Rs. 25,000/-, if not Rs. 35,000/- as claimed by him.

15. Besides, considering the injuries and the disablement suffered by the appellant, the appellant would face increased difficulties in even discharging the work of a peon-cum-bearer. This would also impact the technical work at which he was proficient and which he was required to discharge from time to time. All these aspects have not been considered by the Tribunal, though they were required to be considered.

16. In this case, the Tribunal has taken the appellant’s income at Rs. 10,000/- per month at the time of the accident, which corresponds to an annual income of Rs. 1,20,000/-. The appellant was 40 years old at the time of the accident and, therefore, in terms of the law laid down in **National Insurance Co. Ltd. v. Pranay Sethi, reported in (2017) 16 SCC 680**, an addition of 30% is due towards future prospects.

17. The appellant's annual income would, therefore, be calculated as [Rs. 1,20,000/- + Rs. 36,000/- = Rs. 1,56,000/-]. Considering that the appellant was 40 years old at the time of the accident, the applicable multiplier, in accordance with the law laid down in **Sarla Verma v. DTC, reported in (2009) 6 SCC 121, would be 15**. The notional compensation for dependency would, therefore, be Rs. 23,40,000/-. Since the functional disability is assessed at only 25%, the compensation for loss of future earnings would be Rs. 5,85,000/-. The Tribunal, therefore, was not justified in not awarding any compensation for future earnings in this matter. The first point for determination is answered accordingly.

18. Insofar as the medical expenses incurred by the appellant are concerned, the evidence on record establishes that, following discharge, he was required to undergo continuous physiotherapy to aid his rehabilitation. The appellant underwent physiotherapy sessions at Rs. 250/- per day for six months. The Tribunal had not awarded any amount under this head. Accordingly, a consolidated sum of Rs. 60,000/- is also granted under the head of physiotherapy and other medical treatments.

19. Furthermore, while the Tribunal awarded an amount of Rs. 60,000/- towards general treatment, hospitalisation, medicines, nursing, special diet, and transportation, the record shows that the appellant was admitted to the hospital for two months and was required to remain on bed rest at home for an additional nine months. During this period, the appellant must have required the assistance of an attendant for his mobility and daily care during his six months of physiotherapy. Considering these prolonged hardship factors, in addition to the Rs. 60,000/- already awarded by the Tribunal for general treatment, an additional sum of Rs. 90,000/- is awarded under the combined heads of attendant charges, special diet, and future/miscellaneous care.

20. The appellant has already been paid compensation of Rs. 20,000/- towards loss of earnings during the period of treatment of two months. That amount need not be increased. Insofar as loss of future earnings on account of the disability suffered by the appellant is concerned, the same is already determined at Rs. 5,85,000/-. Towards future medical expenses, the appellant is entitled to an amount of Rs. 50,000/- considering the evidence on record. This compensation would be commensurate with the future medical needs.

21. Thus, under the heading of '*pecuniary damages*', the appellant will have to be paid a total of Rs. 8,65,000/-.

22. Under the *non-pecuniary damages (general damages)*, the compensation is determined as hereafter.

23. Regarding damages for pain, suffering and trauma, the Tribunal has awarded compensation of Rs. 25,000/-. In this case, the evidence shows that the appellant was admitted to hospital for two months, during which he underwent surgeries. He was also forced to remain at home for a further six months. Considering all these aspects, the appellant must be awarded compensation of Rs. 1,00,000/- for pain, suffering and trauma arising from the injury and his disablement.

24. Towards loss of amenities, the Tribunal has again awarded only Rs. 25,000/- which is quite meagre. This compensation will have to be enhanced to Rs. 75,000/- because of the difficulties that the appellant faces not only at his workplace but also for his day-to-day activities. Given the loss of expectation of life, the compensation amount will have to be increased from Rs. 25,000/- to Rs. 75,000/-, taking into account the impact of the injury and the consequent disablement on his life expectancy.

25. Thus, under the non-pecuniary damages or general damages, the appellant would be entitled to compensation of Rs. 2,50,000/-.

26. In all, therefore, the appellant would be entitled to compensation of Rs. 11,15,000/-.

27. The second point which arises for determination is determined accordingly.

28. The Tribunal, in this case, awarded interest at the rate of 6% per annum, which need not be disturbed. However, there was no justification to make the interest run from the date of the settlement of issues. The normal rule that interest should run from the date of the institution of the claim petition should prevail.

29. This appeal is accordingly allowed, and the compensation amount is enhanced from Rs. 1,55,000/- to Rs. 11,15,000/- with interest @ 6% p.a. from the date of the claim petition till the actual payment of the amount.

30. The 1st respondent is now directed to deposit the enhanced compensation amount in this Court within six weeks from today after giving due intimation to the learned counsel for the appellant.

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

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

33. The appeal is allowed and disposed of in the above terms, without any order for costs.

34. IAs, if any, pending in this appeal, will not survive and are disposed of.

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

July 29, 2026

A.F.R.

Manoj/Cp.2

Uploaded on 29.07.2026