



2026 INSC 500

Non-reportable

**IN THE SUPREME COURT OF INDIA
CIVIL APPELLATE JURISDICTION**

CIVIL APPEAL NO. OF 2026
[@ Special Leave Petition (C) No.22089/2023]

SANTHOSH

...APPELLANT

Versus

**UNITED INDIA INSURANCE
COMPANY LTD. AND ANR.**

...RESPONDENTS

ORDER

Leave granted.

2. The appellant was the rider of a motorcycle, who met with an accident on 16.08.2019, when he collided with another motorcycle. The Tribunal and the High Court found that the negligence was on the part of the rider of the other motorcycle, which was driven in a rash manner. The offending vehicle was covered with a valid insurance policy, and both the riders had valid driving licenses. The Tribunal

Signature Not Verified
Digitally signed by
babila pandey
Date: 2024.05.16
12:25:10 IST
Reason:

awarded an amount of Rs.19,58,513/- on various heads. On an appeal filed by the Insurance Company, the loss of earning capacity due to the disability was reduced from Rs.17,66,520/- as awarded by the Tribunal to Rs.80,000/-. The Tribunal had found a disability of 20% and taken the income of the appellant at Rs.30,000/-; deducted Income Tax to the tune of Rs.13,300/- added future prospects of 40% and applied multiplicand of 18 and on the 20% disability assessed, the total loss of earning capacity was computed at Rs.17,66,520/-. Under the conventional heads of attendant charges, pain and suffering, extra nourishment and transportation, a total amount Rs.82,000/- was granted along with medical expenses of Rs.1,09,993/-.

3. The High Court enhanced the compensation under the conventional heads to Rs.1,05,000/- and added an amount of Rs.50,000/- for loss of amenities, while retaining the medical expenses granted by the Tribunal. However reduction was made on the reasoning that the multiplier method adopted by the Tribunal was erroneous. A sum of Rs.4,000/- was awarded

per percentage and a total of Rs.80,000/- was computed as the compensation under the head of loss of earning capacity due to disability. We cannot but find that the loss of earning capacity as assessed by the High Court is unheard of.

4. Even before the Tribunal the certificate of disablement from the Regional Medical Board, Government Hospital, Royapettah, Chennai assessed the appellant to have 20% permanent disability. Before us, there was a challenge raised to the disability, which we had referred again to the very same Hospital. The newly constituted Regional Medical Board also assessed the appellant as having 20% permanent disability. The appellant was asserted to be a squash coach and the disability would have considerably affected his employment; though not found to be permanent by the Tribunal. Before the Tribunal, the appellant had produced an appointment letter of the Indian Institute of Technology, Madras produced as Ex.P13 which indicated him to have been engaged as a coach in the said institute; though not as a permanent employee. The bank statement of the appellant

produced as Ex.P14 also indicated that a sum of Rs.27,000/- was credited as his salary. It was on this basis that the Tribunal arrived at a monthly income of Rs.30,000/- from which the income tax of Rs.13,300/- was reduced on the annual income computed.

5. As we found the measure adopted by the High Court is totally erroneous and the Tribunal correctly assessed the loss of earning capacity and granted compensation based on the salary, the age and the future prospects applicable to a self-employed person and granted 20% of the same as the loss of earning capacity due to disability, which we uphold.

6. Insofar as the medical expenses and the other amounts granted on conventional heads, we uphold the award of the High Court but, however, delete Rs.50,000/- granted as amenities. We hence restore the award of the Tribunal insofar as the loss of earning capacity due to disability and uphold the order of the High Court on all other heads, except loss of amenities.

7. We are conscious of the fact that there is no appeal filed by the insurer from the order of the High Court before this Court. However, since the principle is of awarding just compensation, we are of the opinion that the loss of earning capacity takes into account the loss of amenities and hence we delete Rs.50,000/-.

8. The total amounts awarded hence would be as per the following computation:

S. No.	Particulars	Amount
1.	Loss of earning capacity due to disability of 20%	Rs.17,66,520/-
2.	Medical expenses	Rs.1,09,993/-
3.	Attendant Charges	Rs.20,000/-
4.	Towards Pain and suffering	Rs.50,000/-
5.	Towards Extra Nourishment	Rs.20,000/-
6.	Towards Transportation	Rs.15,000/-
	Total	Rs.19,81,513/-

9. The compensation awarded as above shall be paid after deducting what is already paid with interest @ 7.5% as awarded by the Tribunal. The same shall be disbursed to the

appellant within a period of three months from the receipt of this order.

10. The appeal stands allowed with the above directions.

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

..... J.
(SANJAY KUMAR)

..... J.
(K. VINOD CHANDRAN)

**NEW DELHI;
MAY 12, 2026.**