

IN THE HIGH COURT OF JHARKHAND AT RANCHI

Miscellaneous Appeal No. 288 of 2026

Tata A.I.G. General Insurance Co. Ltd. Voltas House Bistupur, P.O & P.S. Bistupur, District East Singhbhum, Jharkhand. Through it's Legal Manager Safdar Ismail aged about 33 years S/O Md. Ismail Khan, TATA AIG General insurance Company Limited, having it's office at Tata A.I.G. General Insurance Company Ltd, M. R. Tower, Line Tank Road, Ranchi P.O. - G.P.O., P.S. - Sadar, District - Ranchi

... Appellant

Versus

1. Prabha Kumari, W/O Late Ravi Shankar Kumar @ Ravi.
2. Soumya Kumari, D/O Late Ravi Shankar Kumar @ Ravi.
3. Aradhya Kumari, D/O Late Ravi Shankar Kumar @ Ravi.
4. Aarush Yadav S/O Late Ravi Shankar Kumar @ Ravi.
5. Buchun Yadav S/O Late Anant Yadav.
6. Sona Devi W/O Buchun Yadav.

All are resident of H. No. 67, Diaguttu, Azad Nagar P.O. & P.S Jamshedpur, District East. Singhbhum, Jharkhand.

Respondent No. 2 to 4 are minor so Respondent No. 1 proceed for them in this case.

7. Subhash Kumar, S/o Naresh Prasad, R/O Jojobera, Scrap Yard, South Gate, P.O. & P.S. Govindpur, Jamshedpur, Jharkhand [Registered Owner of Truck No. JH-05BR-8493]

... Respondents

CORAM: HON'BLE THE CHIEF JUSTICE

For the Appellant:	Mr Niraj Nayan Mishra, Advocate
For the Claimants:	Mr Amaresh Kumar, Advocate
For Resp. No.7:	Mr. Rahul Kumar, Advocate

04/Dated: 09.10.2026

1. Heard learned counsel for the parties.
2. I.A. No. 12601 of 2025 seeks condonation of delay of 65 days in instituting the accompanying appeal.
3. I have perused the averments in the I.A., and I am satisfied that sufficient cause has been shown. The delay is also not inordinate.

4. Accordingly, we condone the delay and dispose of I.A. No. 12601 of 2025.
5. Mr Niraj Nayan Mishra, learned counsel for the appellant-Insurance Company, submitted that the dispute is solely about the quantum of compensation. Mr Amaresh Kumar, learned counsel for the claimants, has filed a certified copy of the records and proceedings, including the depositions of the parties and witnesses. Accordingly, at the request of and with the consent of the learned counsel for the parties, instead of deciding the application for withdrawal of the deposited compensation, the appeal itself is taken up for final hearing.
6. This appeal is directed against the judgment and Award dated 28.01.2025 made by the District Judge-VII, East Singhbhum, Jamshedpur in M.A.C.C. Case No. 173 of 2022.
7. Mr Mishra submitted that, as per the salary certificate introduced on behalf of the claimants, the deceased's salary was Rs 11,684/-. He submitted that the Tribunal, without any cogent or credible evidence, added Rs 5,000/- per month towards overtime. He pointed out that PW-2, a co-worker, deposed nothing about overtime and only stated that they were paid salary of Rs 11,684/- per month. Even the employer was not examined.
8. Mr Mishra further submitted that the award of interest at the rate of 7.5% per annum was excessive and the same would have been a maximum of 6% per annum.
9. Accordingly, Mr Mishra submitted that the quantum of compensation warrants interference and consequent reduction,

on the premise that the deceased's salary was only Rs. 11,684/- per month and nothing further.

10. Mr Amaresh Kumar submitted that PW-1, i.e. the wife of the deceased, deposed that he was earning an additional Rs. 10,000/- per month in overtime. This statement on oath was not demolished during cross-examination. He submitted that the Tribunal had added only Rs. 5,000/- per month for overtime. He submitted that the Tribunal had correctly taken judicial notice of security guards undertaking extra work and earning overtime.
11. Mr Amaresh Kumar also pointed out that a consortium compensation of Rs 48,000/- should have been awarded in favour of each of the claimants, not Rs 48,000/- in its entirety. He submitted that this was an error apparent on the face of the record, as it was contrary to the law laid down by the Hon'ble Supreme Court in the case of ***Magma General Insurance Company Limited v. Nanu Ram alias Chuhru Ram & Ors., (2018) 18 SCC 130.***
12. The rival contentions now fall for determination.
13. The salary certificate produced on behalf of the claimants showed that the deceased's last drawn salary was Rs. 11,684/-, which the Tribunal rounded to Rs. 11,700/-. To this extent, there can be no dispute, and none was raised by Mr Mishra on behalf of the appellant-Insurance Company.
14. The Tribunal has then added Rs. 5,000/- per month to the monthly income of Rs. 11,700/- towards overtime. For this, the Tribunal has relied upon the decision of the Hon'ble Supreme

Court in ***National Insurance Co. Ltd. Vs. Indira Srivastava and others, (2008) 2 SCC 763.***

15. In ***Indira Srivastava (supra)*** the Hon'ble Supreme Court has held that the term "*income*" has different connotations for different purposes. A court of law, having regard to the change in societal conditions must consider the question not only having regard to the pay-packet the employee carries home at the end of the month but also other perks which are beneficial to the members of the entire family. Loss caused to the family on a death of a near and dear one can hardly be compensated on monetary terms.
16. The aforesaid decision is an authority for the proposition that the expression "income" should never be restricted only to the pay packet the employee carries at home, but the monetary equivalent of the other perks which are beneficial to the members of the entire family must also be included. For this to apply, the claimants had to establish the nature of the other perks available to the deceased.
17. In this case, the deceased's wife has no doubt deposed that the deceased used to work overtime and earn Rs. 10,000/- per month. However, PW-2, the co-employee, has deposed nothing about overtime. The salary certificate does not reflect payment of any overtime.
18. However, in these matters, since some limited guesswork or estimate is allowable, some addition is due based upon PW-1's statement that the deceased used to earn some amount by undertaking extra work. The Tribunal has also taken judicial

notice that security guards usually work in shifts. This means that if a security guard works at night, he would have the entire day free. A security guard could therefore work and earn during this period.

19. Considering that the deceased had left behind three minor children, parents and a widow, the inference that the deceased used to earn some additional amounts by working beyond his scheduled shift hours cannot be said to be completely unreasonable. The fact that the co-worker did not depose about overtime is a factor to be considered in determining the additional income.
20. Thus, upon evaluating the evidence of PW-1 and PW-2, it is reasonable to infer that the deceased must have been earning at least Rs. 2,300/- per month, which corresponds to Rs. 14,000/-per month. Accordingly, the income of the deceased is determined to be Rs. 14,000/- per month.
21. By applying the decisions in ***Sarla Verma (Smt) and others Vs Delhi Transport Corporation and another, (2009) 6 SCC 121, and National Insurance Company Limited Vs. Pranay Sethi and others, (2017) 16 SCC 680*** and ***Magma General Insurance Company Limited (supra)***, an addition of 50% towards future prospects is warranted.
22. Mr Mishra submitted that the addition should be 40% and not 50%. However, the decision holds that where the deceased had a permanent job, the addition should be 50%. There is no evidence that the deceased did not have a permanent job or that he was self-employed. Therefore, an addition of 50% to the

monthly income of Rs 1,400/- is due. The monthly income of the deceased should therefore be taken at Rs. 21,000/- per month. Accordingly, the deceased's yearly income is Rs. 2,52,000/-.

23. Out of the above amount, $\frac{1}{4}^{\text{th}}$ will be deducted towards the amount the deceased would have spent on himself, given that he had six dependents. This means the deceased's yearly income spent on his dependents would be Rs 1,89,000/-. The multiplier in this case would be 17. Therefore, the total compensation towards dependency would come to Rs 32,13,000/-.
24. To the above amount, Rs 18,000/- will have to be added towards funeral expenses and another Rs. 18,000/- towards loss of the estate. Towards consortium, each claimant would be entitled to Rs. 48,000/-, as per the law laid down in the above decisions of the Hon'ble Supreme Court.
25. The Tribunal unnecessarily deducted Rs. 5,00,000/- because this was the amount the employer paid to the claimants. There is evidence of receipt of Rs. 5 lakhs from the employer, but there is no evidence as to why this amount was paid. Without determining the nature of this amount, and simply because it was paid to the claimants after the employee's demise, no case is made out for deducting this amount.
26. The Award of interest at 7.5% per annum is also consistent with the law laid down by the Hon'ble Supreme Court in ***Dharampal and sons v. U.P. State Road Transport Corporation, 2008 (4) JCR 79 (SC)***.

27. The Tribunal has exercised its discretion in awarding this amount, possibly taking into account that the deceased left behind a large number of dependents. There is nothing unreasonable in the discretion so exercised as to warrant interference.
28. Therefore, even upon partially accepting the contentions of the appellant and determining the income of the deceased at only Rs. 14,000/- as against the income of Rs. 16,700/- determined by the Tribunal, still, on account of the obvious errors committed by the Tribunal in determining the compensation in terms of the decisions of the Hon'ble Supreme Court in the case of **Sarla Verma (supra), Pranay Sethi (supra) and Magma General Insurance Company Limited (supra)**, the just compensation in this case will have to be determined at Rs. 35,37,000/- instead of Rs. 34,16,650/-.
29. It is well settled that the Court must determine "just compensation", and such compensation cannot be denied on the ground that the claimants have not preferred any cross-objection or cross-appeal [see: **Surekha and others Vs Santosh and others, (2021) 16 SCC 467**].
30. Accordingly, this appeal is disposed of by upholding one of the contentions of the appellant but by determining the compensation at Rs. 35,37,000/- payable with interest at the rate of 7.5 % per annum from the date of filing of the claim petition, i.e. 02.09.2022, till the date of payment to the claimants.

31. The claimants are now allowed to withdraw the deposited amount together with interest, if any, that has accrued thereon. In addition, the appellant is directed to deposit the balance enhanced amount as determined in this judgment and order in this Court, after adjusting the statutory deposit made in this Court for filing this appeal, within six weeks from today after giving due intimation to the learned counsel for the claimants.
32. Upon deposit, the Registry must transfer this amount to the claimants in the proportions directed in the impugned Award. The claimants must provide identity and bank details so that the amounts can be transferred into their bank accounts. Under no circumstances should the amount be paid other than through the regular banking channels.
33. The appeal is disposed of in the above terms without any order for costs. Other pending Interlocutory Applications do not survive and are disposed of.
34. All concerned must act on an authenticated copy of this order.

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

October 09, 2026

N.A.F.R.

APK/VK

Uploaded on 12.10.2026