IN THE HIGH COURT OF ORISSA AT CUTTACK
MACA No.14 of 2026
CNR No. ODHC010950812025

Manager Legal, ... ***Appellant***
SBI General Insurance Co. Ltd.,
Bhubaneswar

Represented by Adv. –
Mr. Somnath Roy

-versus-

1) Ritik Patel ..... ***Respondent***
2) Debasis Pattanaik

Represented by Adv. –
M/s. Debasish Patnaik,
S.Das

(For Respondent No.1)

CORAM:
MR. JUSTICE ADITYA KUMAR MOHAPATRA

ORDER
20.08.2026

Order No.

04. 1. This matter is taken up through Hybrid mode.

2. On perusal of the office note, it appears that neither the A.D. nor undelivered notice received from Respondent No.2. The postal tracking report reveals that item has already been delivered.

3. In such view of the matter, service of notice on the Respondent No.2 is stated to be sufficient.

4. Respondent No.1 is already represented by his counsel.

5. Heard the learned counsel for the Appellant-Insurance Company as well as learned counsel appearing for the Respondent No.1-Claimant.

6. Despite valid service of notice, no one appears on behalf of the Respondent No.2-owner of the vehicle.

7. Perused the appeal memo as well as the impugned judgment at Annexure-1 to the appeal memo.

8. By filing the present appeal under Section 173(1) of the Motor Vehicles Act, 1988, the Appellant-Insurance Company has approached this Court thereby challenging the impugned judgment dated 20.09.2025 passed in Motor Accident Claim Case No.249 of 2022 by the learned District Judge-cum-1st Motor Accident Claims Tribunal, Jagatsinghpur.

9. Learned counsel for the Appellant, at the outset, contended that the impugned judgment has been challenged on the ground of quantum of compensation only.

10. The factual background of the case leading to filing of the MAC Case before the learned Tribunal is that on 29.06.2022 at about 6 P.M. while the injured was returning from Sri Sri University by riding his motor cycle bearing Regd. No.OD-33K-5432 on the left side of the road, the offending Car driven in a rash and negligent manner came from his left side with high speed and collided against the motor cycle of the injured. As a result of such accident, the injured fell on the road and sustained injuries. The injured has sustained compound fracture on his right leg, tibia, fibula, right collar bone and other injuries. Thereafter, the injured was shifted to the Aswini Hospital, Trauma Care, Cuttack. When the condition of the injured became critical, he was shifted to Vedanta Hospital, Gurugaon where he was treated as an

indoor patient from 29.07.2022 to 23.08.2022. It was also been contended that while undergoing treatment, the right leg of the injured-Respondent No.1 was amputated above the knee on 13.08.2022. It has been pleaded in the claim application that the Respondent No.1-Petitioner was a MBA student and was running his part time business and was earning Rs.20,000/- per month. Accordingly, the injured has claimed a total compensation of Rs.60,00,000/-.

11. The learned Tribunal, after taking evidence from both sides and upon hearing the learned counsel appearing for the Appellant-Insurance Company as well as the learned counsel for the Respondent No.1-Claimant, delivered the judgment dated 20.09.2025, which has been assailed in the present appeal. By virtue of the impugned judgment, the learned Tribunal awarded a total compensation of Rs.71,29,204/- along with interest @ 6% per annum from the date of the claim application till the actual payment is made. The learned Tribunal has also awarded default interest @ 9% per annum. Being aggrieved by the aforesaid award, the Appellant-Insurance Company has approached this Court by filing the present appeal questioning the quantum of compensation that has been awarded in the present case to the injured.

12. Learned counsel for the Appellant-Insurance Company assailed the quantum of compensation that has been awarded by the learned Tribunal on the ground that the assessment of the income of the injured is completely erroneous. He further submitted that the injured, who is a MBA student, had no income at the relevant point of time. He further submitted that accepting the evidence of the Claimant,

Petitioner before the Tribunal, the Tribunal has assessed the income of the injured at Rs.40,000/- per month. He further contended that the actual monthly income of the injured was much more than the amount assessed by the Tribunal for the purpose of calculation of compensation amount. He further contended that the compensation awarded on the ground of loss of future prospects is absolutely erroneous too, since the income of the injured has increased after he met with an accident and sustained injuries. Such fact is evident from the Income Tax Returns of the injured. In such view of the matter, learned counsel for the Appellant-Insurance Company submitted that the quantum of compensation as has been assessed by the Tribunal is completely erroneous.

13. Learned counsel for the Respondent No.1-Claimant, on the other hand, submitted that the learned Tribunal has not committed any illegality in awarding the aforesaid compensation amount. He further submitted that income of the injured has been assessed purely on the basis on the Income Tax documents submitted by the Claimant during trial. On such basis, the income of the injured has been assessed at Rs.40,000/- per month and, accordingly, the total compensation amount has been assessed. Learned counsel for the Respondent No.1-Claimant further submitted that, as a result of the aforesaid accident the Respondent No.1-Petitioner had to go for amputation of his right leg, as a result of which he became disabled. In such view of the matter, learned counsel for the Respondent No.1-Claimant contended that the award on the loss of future prospects is justified and that same does not require any interference by this Court. In view of the

aforesaid, learned counsel for the Respondent No.1-Claimant contended that the impugned award is valid and, accordingly, prayed for dismissal of the appeal of the Insurance Company.

14. Having regard to the submissions made by the learned counsels appearing for the respective parties and on a careful examination of the background facts as well as the materials on record, this Court found that the Appellant-Insurance Company filed this appeal questioning quantum of compensation that has been awarded in favour of the Respondent No.1-Claimant. On perusal of the impugned judgment, this Court is of the view that the quantum of compensation awarded by the Tribunal is on the higher side.

15. However, taking into consideration the entirety of the factual background of the present case, this Court is of the view that the matter can very well be settled amicably in the spirit of Lok Adalat. Accordingly, this Court proposed the learned counsels for the parties to settle the matter amicably. Learned counsel for the Respondent No.1-Claimant stated before this Court that in the event the final compensation amount is settled at Rs.65,00,000/- along with interest @ 6%, it would satisfy the claim of the Claimant.

16. Learned counsel for the Appellant-Insurance Company, on the other hand, left the matter the discretion of this Court submitted before this Court that after careful analysis of the factual background of the present case and on a careful analysis of the evidence on record, reassessed the quantum of compensation. Such reassessment of this Court would be acceptable by the Insurance Company.

17. Taking into consideration the submissions made by the learned counsels appearing for both sides, this Court in the larger interest of justice, is of the considered view that in the event the compensation awarded vide impugned judgment dated 20.09.2025 is modified to Rs.65,00,000/- along with interest @ 6%, it would serve the larger interest of justice. Learned counsel for both sides agreed to the same.

18. Accordingly, while disposing of present appeal, the awarded amount as has been reflected in the judgment dated 20.09.2025 is modified to the extent that the Appellant-Insurance Company shall now pay a total compensation of Rs.65,00,000/- (Rupees sixty five lakhs) to the Respondent No.1-Claimant along with interest @ 6% from the date of filing of the claim application till deposit of the modified amount before the Tribunal. Let the aforesaid amount be deposited before the learned Tribunal within eight weeks from the date of receipt of a copy of this order. The learned Tribunal shall disburse such amount in accordance with the judgment dated 20.09.2025. On production of a copy of the acknowledgment evidencing deposit of the aforesaid modified amount, the registry shall release the statutory deposit along with accrued interest thereon in favour of the Insurance Company on an application being filed by the learned counsel for the Insurance Company before the registry of this Court.

19. With the aforesaid modification, the MACA stands disposed of.

(Aditya Kumar Mohapatra)
Judge