

IN THE HIGH COURT OF KARNATAKA, AT DHARWAD

DATED THIS THE 6TH DAY OF FEBRUARY, 2026

BEFORE

THE HON'BLE DR. JUSTICE K.MANMADHA RAO

MISCELLANEOUS FIRST APPEAL NO.103175 OF 2016 (MV)

BETWEEN:

1. NWKRTC
SIRSI DIVISION, SIRSI,
(OWNER OF VEHICLE NO.KA-31/F-867)
2. THE M.D. NWKRTC
CENTRAL OFFICE,
GOKUL ROAD, HUBBALLI.

BOTH R/BY THE CHIEF LAW OFFICER,
NWKRTC CENTRAL OFFICE,
GOKUL ROAD, HUBBALLI.

...APPELLANTS

(BY SRI. I.C. PATIL, ADVOCATE)

AND:

RAMCHANDRA KANNA NAIK,
AGE. 34 YEARS,
R/O: KANALLI, PO: KANNALI,
TQ: SIDDAPUR (N.K)-581 355.

...RESPONDENT

(RESPONDENT IS SERVED)

THIS MISCELLANEOUS FIRST APPEAL IS FILED UNDER SECTION 173(1) OF THE MOTOR VEHICLES ACT 1988, PRAYING TO SET ASIDE THE JUDGMENT AND AWARD DATED 07.05.2016 SENIOR CIVIL JUDGE AND ADDL. MACT, SIDDAPUR AS COMPENSATION AWARDED IS EXCESSIVE AND EXORBITANT BY ALLOWING THIS APPEAL & ETC.

THIS MFA HAVING BEEN HEARD AND RESERVED FOR JUDGMENT ON 22.01.2026 AND COMING ON FOR PRONOUNCEMENT THIS DAY, JUDGMENT WAS DELIVERED THEREIN AS UNDER:

CORAM: THE HON'BLE DR. JUSTICE K.MANMADHA RAO

Digitally signed
by
MOHANKUMAR
B SHELAR

Location: High
Court of
Karnataka,
Dharwad Bench

CAV JUDGMENT

This appeal is filed under Section 173(1) of the Motor Vehicles Act, 1988 (hereinafter referred to as 'MV Act') by the Insurance Company challenging the Judgment and Award dated 07.05.2016 passed by the Senior Civil Judge and Addl. MACT, Siddapur in MVC No.91/2014.

2. For convenience, the parties are referred to, based on their rankings before the Tribunal.

3. Facts giving rise to the filing of the appeal briefly stated are as under:

On 02.12.2012 at about 1.55 p.m., on Siddapur-Dammao road, when the claimant was proceeding in his motorcycle bearing registration No.KA-31/Q-7387, near Bellamadiki, Siddapur, from Lambapur towards Siddapur, at that time, the Bus bearing registration No.KA-31/F-867 driven by its driver, came from opposite direction, in a rash and negligent manner and hit to the motorcycle of the claimant and caused the accident. As a result of which, the claimant sustained grievous injuries and was taken to Government Hospital, Siddapur and thereafter shifted to SDM Hospital, Dharwad for further

treatment. The claimant also claims that he has taken treatment in K.S.Hegde Hospital, Mangalore by spending more than Rs.6,00,000/- towards his treatment. It has been urged that before the accident he was earning Rs.3300/- p.m. by doing agriculture but due to the impact of the accident, he allegedly has become permanently disabled. He submits that the accident occurred solely due to rash and negligent driving of the offending Bus by its driver and the respondents being the owners of the offending Bus are said to be jointly and severally liable to compensate the claimant and hence the claimant claimed total compensation of Rs.15,00,000/- together with interest at the rate of 15% per annum from the date of the petition till the realization of the amount.

4. In response to the Court notice, the respondent No.2 remained *ex-parte*, whereas the respondent No.1 appeared before the Court through his counsel and filed his written statement denying the claim of the claimant with regard to occurrence of the accident due to the rash and negligent driving of the offending Bus by its driver, the claimant sustaining grievous injuries in the said accident, his incurring amount towards medical expenses, his earnings etc. Thus, the

respondent No.1 has attributed the entire fault to the claimant for causing the accident and urged that the driver of the Bus was slowly driving it and therefore he has sought for dismissal of the petition.

5. The Tribunal on the basis of the pleadings of the parties, framed issues. The claimant examined himself as P.W.1, examined the doctor as P.W.2 and got marked documents Exs.P1 to Ex.P108. On the other hand, respondent No.1 - Insurance Company examined one witness as R.W.1 and no documents were marked. The Tribunal after assessing the oral and documentary evidence, allowed the claim petition in part and awarded compensation of Rs.2,66,700/- with interest at the rate of 6% p.a., from the date of petition till the date of realization of the amount. The respondent Nos.1 and 2 were held jointly and severally liable to pay the compensation to the claimant.

6. The Insurance Company, aggrieved by the judgment and award passed by the Tribunal, filed this Miscellaneous First Appeal.

7. The learned counsel for the appellant-Insurance Company submitted that the driver of the Bus was carefully and

diligently driving the Bus and the accident took place solely due to the rash and negligent riding of the rider of the motorcycle. Hence, he submits that the Tribunal erred in holding that the accident took place due to the rash and negligent driving of the driver of the Bus and also submits that the Tribunal has failed to take note of the fact that a criminal case is registered against the rider of the motorcycle and charge sheet was also filed against him. He also submits that the Tribunal grossly erred in awarding huge compensation of Rs.2,66,700/- on account of injuries sustained by the claimant and has erroneously assessed yearly income of the claimant as Rs.39,600/-, which is against Schedule-II of the MV Act. He submits that the Tribunal has awarded Rs.15,000/- for non-earning person. Hence, the compensation of Rs.1,26,720/- towards loss of future earning is excessive and arbitrary. He further submits that the compensation awarded by the Tribunal towards pain and suffering, medical expenses, loss of amenities are excessive and arbitrary and same is inconsistent with Schedule-II of the MV Act. Hence, on these grounds, he prays to allow the appeal by reducing the compensation.

8. Though notice to the respondents was served, but he remained un-represented.

9. Heard the learned counsel appearing for the appellants and perused the material placed on record.

10. Having considered the contentions advanced, it is now well settled that in a claim under Section 163A of the MV Act, the claimant is not required to plead or establish negligence. The liability under Section 163A of the MV Act is based on the principle of no-fault liability. Once the involvement of the motor vehicle in the accident is established, compensation as per the structured formula under Schedule II follows as a matter of course.

Section 163A of the MV Act reads as under:-

"163A. Special provisions as to payment of compensation on structured formula basis.— (1) Notwithstanding anything contained in this Act or in any other law for the time being in force or instrument having the force of law, the owner of the motor vehicle or the authorised insurer shall be liable to pay in the case of death or permanent disablement due to accident arising out of the use of motor vehicle, compensation, as indicated in the Second Schedule, to the legal heirs or the victim, as the case may be.

Explanation.—For the purposes of this sub-section, "permanent disability" shall have the same meaning and extent as in the Workmen's Compensation Act, 1923 (8 of 1923).

(2) In any claim for compensation under sub-section (1), the claimant shall not be required to plead or establish that the death or permanent disablement in respect of which the claim has been made was due to any wrongful act or neglect or default of the owner of the vehicle or vehicles concerned or of any other person.

(3) The Central Government may, keeping in view the cost of living by notification in the Official Gazette, from time to time amend the Second Schedule."

11. On perusal of the provision of law, it is observed that the Tribunal had awarded the total compensation of Rs.2,66,720/- under Section 166 of the MV Act by assessing monthly income at Rs.39,600/- and a sum of Rs.40,000/- under the head of pain and suffering which is contrary to Second Schedule to the MV Act. As per Second Schedule appended to the MV Act, maximum income of deceased is fixed at Rs.15,000/- per annum. Hence, taking note of the same, this Court assesses the income of the deceased at Rs.15,000/- per annum. There is no dispute with regard to age of the claimant as 32 year, disability at 20% and multiplier of 16. Thus, the

claimant would be entitled to compensation under the head of loss of future earning as Rs.15,000/- x 20% x 16= Rs.48,000/-. Further, the pain and suffering according to Second Schedule to the MV Act is taken at Rs.5,000/-.

12. Thus, the claimant would be entitled to modified compensation on the following heads:

Sl. No.	Head of Compensation	Amount (Rs.)
1	Loss of future earnings	48,000/-
2	Pain and Suffering	5,000/-
3	Medical Expenses	15,000/-
4	Amenities and other heads	30,000/-
	Total Compensation	98,000/-

13. Thus, the claimant is entitled to total compensation of **Rs.98,000/-** as against Rs.2,66,720/- awarded by the Tribunal.

14. In the result, I proceed to pass the following:

ORDER

- i. The appeal is ***allowed-in-part***.
- ii. The impugned Judgment and Award dated 07.05.2016 passed by the Senior Civil Judge and Addl. MACT, Siddapur in MVC No.91/2014 is

modified to an extent that the claimant would be entitled to total compensation of **Rs.98,000/-** with interest at the rate of 6% per annum from the date of petition till the date of payment as against Rs.2,66,720/- awarded by the Tribunal.

iii. The amount in deposit made by the appellant/insurer be transmitted to the Tribunal forthwith.

iv. Draw modified award accordingly.

**Sd/-
(DR. K.MANMADHA RAO)
JUDGE**

KGK
CT:VP