



CNR: KAHC010020822023

NC: 2026:KHC:54776
MFA No. 342 of 2023

IN THE HIGH COURT OF KARNATAKA AT BENGALURU

DATED THIS THE 1ST DAY OF OCTOBER, 2026

BEFORE

THE HON'BLE MRS. JUSTICE GEETHA K.B.

MISCELLANEOUS FIRST APPEAL NO. 342 OF 2023 (MV-D)

BETWEEN:

1. SHANKAR NAIK
S/O THIPPESWAMY
AGED ABOUT 42 YEARS
LIC AGENT, R/O HULLUR LAMBANIHATTI
CHITRADURGA TALUK-577501
2. HEMAVATHI N
W/O SHANKAR NAIK
AGED ABOUT 38 YEARS
HIGH SCHOOL TEACHER
R/O HULLUR LAMBANIHATTI
CHITRADURGA TALUK-577501

...APPELLANTS

(BY SRI. R SHASHIDHARA.,ADVOCATE)

AND:

1. THE DIVISIONAL CONTROLLER NEKSRTC
HOSPET DEPOT
OWNER OF BUS BEARING NO.KA-35/F-402
2. THE MANAGING DIRECTOR
INTERNAL SECURITY FUND
KSRTC DIVISIONAL OFFICE
K H ROAD, SHANTHINAGAR
BENGALURU-560003

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3. THE DEPOT MANAGER
KSRTC, CHITRADURGA-577501

...RESPONDENTS

(BY SRI. DABALI FAKKIRAPPA SHIDRAMAPPA.,ADVOCATE FOR
R1; R2 & R3 ARE SERVED)

THIS MFA IS FILED U/S 173(1) OF MV ACT, AGAINST THE
JUDGMENT AND AWARD DT.04.12.2021 PASSED IN MVC
NO.843/2020 ON THE FILE OF THE I ADDITIONAL SENIOR
CIVIL JUDGE AND ADDITIONAL MACT-IV, CHITRADURGA,
PARTLY ALLOWING THE CLAIM PETITION FOR COMPENSATION
AND SEEKING ENHANCEMENT OF COMPENSATION.

THIS APPEAL, COMING ON FOR ADMISSION, THIS DAY,
JUDGMENT WAS DELIVERED THEREIN AS UNDER:

CORAM: HON'BLE MRS. JUSTICE GEETHA K.B.

ORAL JUDGMENT

This is the appeal filed by the appellants/claimants
under Section 173 (1) of the Motor Vehicles Act, 1988 (for
short the 'MV Act') challenging the judgment and award
dated 04.12.2021 in MVC No.843/2020 on the file of the I
Additional Senior Civil Judge and Additional MACT No.IV,
Chitradurga (in short 'the Tribunal').

2. Parties would be referred with their ranks, as they
were before the Tribunal for the sake of convenience and
clarity.

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3. The facts established before the Tribunal are that the petitioners are the parents of deceased-1-½ years' child. They have filed the claim petition under Section 166 of the MV Act praying for compensation in respect of death of their 1-½ years' child-Suhas who succumbed to the injuries suffered by him in the road traffic accident that has taken place on 31.10.2019 involving the bus bearing registration number KA-35/F-402 near Gowrapura and Katanagere Cross. The contention of claimants is that due to rash and negligent driving of the driver of the bus, in which claimants along with their child were travelling, wherein the driver has applied brake suddenly and due to which, the infant baby fell down through the window and the bus toppled towards right side and because of that, the child sustained grievous injuries and died at the spot. Hence, prayed for compensation under different heads.

4. After appearance of respondents-KSRTC, respondents have taken contention that to avoid the lorry

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which was coming from opposite direction, the accident has taken place and they have already given interim compensation to the claimants on humanitarian grounds. Hence, prayed for dismissal of the claim petition.

5. After framing issues, recording evidence, hearing arguments of both sides, the Tribunal came to the conclusion that the claimants are entitled for global compensation of Rs.4,00,000/-.

6. Not satisfied with the said compensation, claimants are before this Court.

7. Heard arguments of both sides.

8. Learned counsel for the appellants Sri Shashidhara would submit that the global compensation awarded by the Tribunal is not just and reasonable. The compensation is to be granted in accordance with the recent judgment of Hon'ble Apex Court in ***Hitesh Nagjibhai Patel vs.***

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Bababhai Nagjibhai Rabari & Anr. reported in **2025 INSC 1070** and prayed for enhancement of compensation.

9. Learned counsel for the respondent No.1-Corporation, Sri F S Dabali, would submit that the compensation awarded by the Tribunal is just, fair and reasonable. In this regard, he places reliance on the judgment of Hon'ble Apex Court in ***Thangavel & Ors. vs. The Managing Director, Tamil Nadu State Transport Corporation Limited*** (Civil Appeal No.3595/2024 dated 8.8.2025).

10. Having heard the arguments of both sides, verifying appeal papers, the point that arise for consideration is :

"Whether the claimants are entitled for enhancement of compensation?"

11. Finding of this Court on the aforesaid point is in **affirmative** for the following :

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REASONS

The facts established before the Tribunal are that the claimants have lost their 1-½ years' child in the road traffic accident that has taken place involving the KSRTC bus. The child along with the claimants was inmate of the said bus. Due to application of sudden brake, the child fell on the ground from window and suffered grievous injuries and succumbed to those injuries at the spot.

12. The Tribunal has awarded only the global compensation of Rs.4,00,000/- to the claimants, which is not in accordance with the judgments of Hon'ble Apex Court.

13. The Hon'ble Apex Court in ***Sarla Verma and Others vs. Delhi Transport Corporation and Another*** reported in ***AIR 2009 SCC 310***, has stated what would be the multiplier to be taken in case of death or bodily injury. However, in the said case, the multiplier to be adopted to the deceased at the age of 15 and above was considered.

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Up to the age of 15, what would be the multiplier is not mentioned in the said case. The said **Sarla Verma's** case cited supra is upheld by full bench of Hon'ble Apex Court and in **National Insurance Company Limited vs. Pranay Sethi and others**, reported in **(2017) 16 Supreme Court Cases 680**.

14. In between **Sarla Verma's** case cited supra and **Pranay Sethi's** case cited supra, **Reshma Kumari vs. Madan Mohan** case is rendered by Hon'ble Apex Court which is reported in **2013 ACJ 1253**. In **Reshma Kumari's** case cited supra at para Nos.12 and 13 the Hon'ble Apex Court held as follows:

"12. In Susamma Thomas (AIR 1994 SC 1631: 1994 AIR SCW 1356), this Court noticed the two decisions of House of Lords, (1) Davies and Anr. v. Powell Duffryn Associated Collieries Ltd.¹¹ and (2) Nance v. British Columbia Electric Railway Co. Ltd. wherein two different methods lump sum method and multiplier method - were adopted for determination and for calculation of compensation in fatal accident actions. This Court has preferred the multiplier method adopted in Davies case. While holding so, this Court also referred to another decision of House of Lords in Mallett v. Mc Monagle. It has been laid down in Susamma Thomas that multiplier

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method was logically sound and legally well established. The multiplier represented the number of year's purchase on which the loss of dependency is capitalized. The multiplier method involves the ascertainment of the loss of dependency or the multiplicand having regard to the circumstances of the case and capitalizing the multiplicand by an appropriate multiplier. The choice of the multiplier is determined by the age of the deceased (or that of the claimants whichever is higher) and by the calculation as to what capital sum, if invested at a rate of interest appropriate to a stable economy, would yield the multiplicand by way of annual interest. In ascertaining this, the Court said that regard should also be had to the fact that ultimately the capital sum should also be consumed-up over the period for which the dependency is expected to last. In Susamma Thomas this Court noticed that English Courts have rarely applied operative multiplier exceeding 16.

11. 1942 (1) All ER 657.12. 1951 (2) All ER

448.13. 1969 (2) All ER 178.

13. The award of compensation in a motor accident case based on the multiplier method is an established norm in India now. A three-Judge Bench in Trilok Chandra reiterated what was stated in Susamma Thomas¹ as regards determination compensation in accident cases on the basis of multiplier method. In Trilok Chandra, the Court considered Section 163A and the Second Schedule which was not under consideration in Susamma Thomas as Section 163A was not on the statute when the judgment in Susamma Thomas was delivered. It was observed that by incorporation of Sections 163A and 163B in the 1988 Act the situation had undergone a change. Under the Second Schedule, the maximum multiplier could be upto 18 and not 16 as was held in Susamma Thomas. In Trilok Chandra, the maximum multiplier was fixed at 18 but the Court did

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find several defects in the calculation of compensation and the amount worked out in the Second Schedule. Importantly this Court stated in Trilok Chandra that Tribunals and the Courts cannot go by the ready reckoner; the Schedule can only be used as a guide. This is what this Court said in paras 17 and 18 of the Report:

"17. The situation has now undergone a change with the enactment of the Motor Vehicles Act, 1988, as amended by Amendment Act 54 of 1994. The most important change introduced by the amendment insofar as it relates to determination of compensation is the insertion of Sections 163-A and 163-B in Chapter XI entitled "Insurance of Motor Vehicles against Third Party Risks". Section 165-A begins with a non-obstante clause and provides for payment of compensation, as indicated in the Second Schedule, to the legal representatives of the deceased or injured, as the case may be. Now if we turn to the Second Schedule, we find a table fixing the mode of calculation of compensation for third party accident injury claims arising out of fatal accidents. The first column gives the age group of the victims of accident, the second column indicates the multiplier and the subsequent horizontal figures indicate the quantum of compensation in thousand payable to the heirs of the deceased victim. According to this table the multiplier varies from 5 to 18 depending on the age group to which the victim belonged. Thus, under this Schedule the maximum multiplier can be up to 18 and not 16 as was held in Susamma Thomas case [(1994) 2 SCC 176: (AIR 1994 SC 1631: 1994 AIR SCW 1356)].

18. We must at once point out that the calculation of compensation and the amount worked out in the Schedule suffer from several defects. For example, in Item 1 for a victim aged 15 years, the multiplier is shown to be 15 years and the multiplicand is shown to be Rs. 3000. The total should be $3000 \times 15 = 45,000$ but

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the same is worked out at Rs. 60,000. Similarly, in the second item the multiplier is 16 and the annual income is Rs. 9000; the total should have been Rs. 1,44,000 but is shown to be Rs. 1,71,000. To put it briefly, the table abounds in such mistakes. Neither the tribunals nor the courts can go by the ready reckoner. It can only be used as a guide. Besides, the selection of multiplier cannot in all cases be solely dependant on the age of the deceased. For example, if the deceased, a bachelor, dies at the age of 45 and his dependants are his parents, age of the parents would also be relevant in the choice of the multiplier. But these mistakes are limited to actual calculations only and not in respect of other items. What we propose to emphasise is that the multiplier cannot exceed 18 years' purchase factor. This is the improvement over the earlier position that ordinarily it should not exceed 16. We thought it necessary to state the correct legal position as courts and tribunals are using higher multiplier as in the present case where the Tribunal used the multiplier of 24 which the High Court raised to 34, thereby showing lack of awareness of the background of the multiplier system in Davies case".

(Emphasis supplied by us)"

15. Further, the Hon'ble Apex Court in **Reshma Kumari's** case cited supra, examined **Sarla Verma's** case cited supra and finally at paragraph No.40 it is held as follows :

"40. In what we have discussed above, we sum up our conclusions as follows:

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(i) In the applications for compensation made under Section 166 of the 1988 Act in death cases where the age of the deceased is 15 years and above, the Claims Tribunals shall select the multiplier as indicated in Column (4) of the table prepared in Sarla Verma (AIR 2009 SC 3104: 2009 AIR SCW 4992) read with para 42 of that judgment.

(ii) In cases where the age of the deceased is upto 15 years, irrespective of the Section 166 or Section 163A under which the claim for compensation has been made, multiplier of 15 and the assessment as indicated in the Second Schedule subject to correction as pointed out in Column (6) of the table in Sarla Verma should be followed.

(iii) As a result of the above, while considering the claim applications made under Section 166 in death cases where the age of the deceased is above 15 years, there is no necessity for the Claims Tribunals to seek guidance or for placing reliance on the Second Schedule in the 1988 Act.

(iv) The Claims Tribunals shall follow the steps and guidelines stated in para 19 of Sarla Verma for determination of compensation in cases of death.

(v) While making addition to income for future prospects, the Tribunals shall follow paragraph 24 of the judgment in Sarla Verma¹⁷.

(vi) Insofar as deduction for personal and living expenses is concerned, it is directed that the Tribunals shall ordinarily follow the standards prescribed in paragraphs 30, 31 and 32 of the judgment in Sarla Verma¹⁷ subject to the observations made by us in para 38 above.

(vii) The above propositions mutatis mutandis shall apply to all pending matters where above aspects are under consideration."

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16. The said finding of **Reshma Kumari's** case cited supra is upheld in **Pranay Sethi's** case cited supra. Thus, according to these judgments, in case of death or bodily injury to a minor aged less than 15 years then, irrespective of Section 166 or 163-A claim petition, the relevant applicable multiplier is '15'.

17. With this background, the recent judgments of Hon'ble Apex Court are to be examined. In **Karuna Parmar vs. Prakash Sinha & Ors.** reported in **2025 SCC OnLine SC 3324**, the Hon'ble Apex Court at paragraph Nos.14 and 15 held as follows :

"14. Coming to the case of the deceased child, we are not inclined to accept the reasoning of the Tribunal on the yearly income. Recently, in Baby Sakshi Greola v. Manzoor Ahmad Simon and Another 2024 SCC Online SC 3692, J. B.R. Gavai, writing for the bench, has elaborated that:

"29. This Court in the case of Kajal (supra) has held that taking notional income is not the correct approach. Instead, the minimum wages payable to a skilled workman in the concerned State has to be taken into consideration because, that would be the minimum amount which she would have earned on becoming a

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major. In this case, the minimum wage payable to a skilled workman in the State of Delhi at the time of the accident, i.e., 2nd June 2009, was Rs. 4,358/- per month." (Emphasis supplied)

15. For this purpose, we advert to the notification under the Minimum Wages Act, 1948, for a skilled worker in 2014 wherein Rs. 223/- per day has been fixed. The monthly income of the deceased comes to Rs.6,690/-, and consequently, the yearly income of the deceased has to be considered as Rs.80,280/-. The compensation payable, therefore, is as follows:

FINAL COMPENSATION OF DECEASED AVIKA PARMAR
Compensation Heads Amount Awarded In Accordance with:

Monthly Income	$223 \times 30 = \text{Rs. } 6,690/-$	Baby Sakshi Greola V. Manzoor Ahmad Simon and Another, (2022) SCC Online SC.
Yearly Income	$6,690 \times 12 = \text{Rs. } 80,280/-$	
Future Prospects (40%)	$80,280 \times 40\% = \text{Rs. } 1,12,392/-$	
Deduction (1/2)	$1,12,392/2 = \text{Rs. } 56,196/-$	National Insurance Co.Ltd V. Pranay Sethi (2017) 16 SCC 680 Para 42 & 49
Multiplier (18)	$56,196 \times 18 = \text{Rs. } 10,11,528$	
Loss of Estate	Rs.18,150/-	
Loss of Funeral Expenses	Rs.18,150/-	
Loss of Consortium	$48,400 \times 2 = \text{Rs. } 96,800/-$	
Total	Rs. 11,44,628/-	

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Thus, the difference in compensation payable finally in the case of Appellant No.1 is as under:

MACT	High Court	This Court
Rs. 3,84,792/-	Rs.5,41,292/-	Rs.9,09,000/-

Thus, the difference in compensation payable finally in the case of Appellant No. 2 is as under:

MACT	High Court	This Court
Rs.27,320/-	-	Rs.94,320/-

Thus, the difference in compensation payable finally in the case relating to the deceased child is as follows:

MACT	High Court	This Court
Rs.5,30,000/-	Rs.5,30,000/-	Rs.11,44,628/-"

18. By placing reliance on the judgment rendered by the Hon'ble Apex Court in ***Baby Sakshi Greola vs. Manzoor Ahmad Simon*** reported in ***(2022) SCC OnLine SC*** it was held that, the income of the minor children is to be considered on par with the wages payable to a skilled workman in the relevant State by examining Minimum Wages Act, 1948. The same is followed in the subsequent judgment of Hon'ble Apex Court in ***Hitesh's*** case cited supra. However, without examining any of these cases, in ***Thangavel's*** case cited supra, the Hon'ble Apex Court



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confirmed the income of the deceased at Rs.5,000/- per month.

19. In view of contradictory judgments of Hon'ble Apex Court, as the present legislation is a beneficial legislation, the judgment of Hon'ble Apex Court which is favourable to the claimant is to be considered. Hence, this Court holds that the wages prescribed under Minimum Wages Act, 1948 in State of Karnataka to a skilled worker at relevant point of time is to be considered as the income of deceased.

20. The address of the claimants mentioned in the claim petition shows that they are residents of Lambanihatti, Chitradurga Taluk which comes under Zone-IV. Hence, as per the list of scheduled employments, fixed minimum wages is Rs.12,989/- per month at Zone-IV. Said income shall be considered as the income of deceased at the time of accident. As the deceased left behind his parents only

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as its dependants, 50% of the aforesaid income is to be deducted towards its personal and living expenses by placing reliance on **Sarla Varma's** case cited supra. By placing reliance on **Pranay Sethi's** case cited supra, 40% shall be added towards future prospects. Thus, claimants are entitled for Rs.16,36,560/- (Rs.12,989 + 40% x 12 x 15 x 50%) towards 'loss of dependency'.

21. As per the judgment of the Hon'ble Apex Court in **Magma General Insurance Co. Limited v. Nanu Ram & Others**, reported in **2018 ACJ 2782** and in the case of **Pranay Sethi's** case cited supra, the claimants are also entitled for Rs.40,000/- each with 10% + 10% escalation charges towards 'loss of consortium', which comes to Rs.96,800/-. They are also entitled for Rs.15,000/- each with 10% + 10% escalation charges i.e., Rs.36,300/- towards 'loss of estate' and towards 'transportation of dead body and funeral expenses'. Thus, the claimants

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would be entitled for compensation under various heads as under:

Heads	Rs.
Loss of Dependency	16,36,560/-
Loss of Consortium	96,800/-
Loss of Estate	18,500/-
Transportation of Dead Body and Funeral Expenses	18,500/-
Total	17,69,660/-

22. Hence, the claimants are entitled for total compensation of Rs.17,69,660/- as against Rs.4,00,000/- awarded by the Tribunal.

23. Hence, this Court passes the following:

ORDER

- a. Appeal filed under Section 173(1) of the Motor Vehicles Act, 1988 is **allowed in part**.
- b. The judgment and award dated 04.12.2021 passed in MVC No.843/2020 on the file of the I Additional Senior Civil Judge and Additional MACT No.IV, Chitradurga is modified holding that the claimants

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are entitled for total compensation of
Rs.17,69,660/- as against Rs.4,00,000/- awarded
by the Tribunal.

- c. The enhanced compensation shall carry interest at 6% per annum from the date of petition till realization. However, the claimants are not entitled for interest on delayed period of 225 days.
- d. The respondents shall deposit the compensation amount with accrued interest before the Tribunal within a period of 6 weeks from the date of receipt of certified copy of this judgment.
- e. Apportionment, disbursement and deposit shall be as per the order of the Tribunal.
- f. No order as to costs
- g. Draw modified award accordingly.

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h. Registry to transmit the TCR to the Tribunal
forthwith.

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(GEETHA K.B.)
JUDGE

rs
List No.: 1 Sl No.: 25