



CNR: KAHC010279992020

NC: 2026:KHC:54136-DB
MFA No. 1961 of 2021

IN THE HIGH COURT OF KARNATAKA AT BENGALURU

DATED THIS THE 29TH DAY OF SEPTEMBER, 2026

PRESENT

THE HON'BLE MR. JUSTICE D K SINGH

AND

THE HON'BLE MR. JUSTICE H.SHANTHI BHUSHAN

MISCELLANEOUS FIRST APPEAL NO. 1961/2021 (MV-D)

BETWEEN:

1. SMT. SHIVANAGAMMA. M
W/O LATE MAHALINGAPPA,
AGED ABOUT 32 YEARS
2. MASTER MADESHA M
S/O LATE MAHALINGAPPA,
AGE 06 YEARS

SINCE APPELLANT NO.2 IS THE MINOR
REP BY HIS MOTHER BEING
NATURAL GUARDIAN
SMT SHIVANAGAMMA M

BOTH ARE R/AT NO 1,
MALLESHPA BUILDING,
GOVINDA SHETTY PALYA,
BENGALURU - 560 010.

...APPELLANTS

(BY SRI. JAGADEESH H.T.,ADVOCATE)

AND:

1. KALYAN KUMAR
NO 114, BESIDE G R HOMES,
BENGALURU - 560 100.

Digitally
signed by
MALA K N
Location:
HIGH
COURT OF
KARNATAKA



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2. THE LEGAL MANAGER
UNITED INDIA INSURANCE CO LTD
KRISHI BHAVANA, 5TH AND 6TH FLOOR,
NRUPATHUNGA ROAD, HUDSON CIRCLE,
BENGALURU - 560 002.

...RESPONDENTS

(BY SRI.B.C.SHIVANNEGOWDA, ADVOCATE FOR R2;
V.C.O DATED 24.03.2023, NOTICE TO R1 D/W)

THIS MFA FILED U/S 173(1) OF MV ACT AGAINST THE
JUDGMENT AND AWARD DATED 17.12.2019 PASSED IN MVC
NO. 49/2019 ON THE FILE OF THE X ADDITIONAL JUDGE,
COURT OF SMALL CAUSES, MOTOR ACCIDENT CLAIMS
TRIBUNAL, BENGALURU (SCCH-16), PARTLY ALLOWING THE
CLAIM PETITION FOR COMPENSATION AND SEEKING
ENHANCEMENT OF COMPENSATION.

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

CORAM: HON'BLE MR. JUSTICE D K SINGH
AND
HON'BLE MR. JUSTICE H.SHANTHI BHUSHAN

ORAL JUDGMENT

(PER: HON'BLE MR. JUSTICE H.SHANTHI BHUSHAN)

This appeal has been filed challenging the impugned
order dated 17.12.2019 passed by the Court of Small Causes
and Motor Accident Claims Tribunal, Bengaluru (SCCH-16) in
M.V.C. No. 49/2019 (hereinafter referred to as Tribunal for
short).



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2. For the sake of convenience, the parties shall be referred to as per their status before the Tribunal.

3. It is the case of the petitioner that, on 01.12.2018 approximately at 07:45 a.m., the deceased A. Mahalingappa was riding his TVS XL scooter bearing Registration No. KA-51-EM-7192 slowly and cautiously near P.E.S. College, Konappana Agrahara, Bengaluru. At that juncture, the rider of a motorcycle bearing Registration No. KA-06-ES-4724 rode the vehicle in a rash and negligent manner and hit the deceased's scooter from behind. As a consequence of the violent impact, the deceased sustained severe injuries all over his body, was initially administered first aid at Ramakrishna Hospital, and subsequently transferred to Sparsh Hospital, where he succumbed to his injuries despite medical treatment. Post-mortem examination was thereafter conducted at St. John's Medical College Hospital. The deceased was 40 years of age, gainfully employed as a mason, and was earning a monthly income of Rs.18,000/-. Being deprived of their sole breadwinner and subjected to severe emotional and financial distress, the petitioners (wife and minor son) filed a claim



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petition under Section 166 of the Motor Vehicles Act, 1988, seeking total compensation of Rs.40,000,000/- with interest.

4. Respondent No. 1, the registered owner of the offending motorcycle bearing Registration No. KA-06-ES-4724, failed to appear before the Trial Court despite service of notice and was placed ex-parte. Respondent No. 2, United India Insurance Co. Ltd., filed its written statement admitting the issuance and subsistence of the insurance policy (Policy No. 0729003118P108209994) covering the offending vehicle on the date of the occurrence. However, respondent No. 2 disputed actionable negligence attributed to the rider of the insured motorcycle, asserting that the accident was caused by the negligence of the deceased himself. Respondent No. 2 further contended that the rider of the motorcycle lacked a valid and effective driving licence at the time of the collision, thereby violating policy conditions and disentitling the owner to indemnification.

5. On behalf of the petitioners, petitioner No. 1 examined herself as PW-1, 17 documents were marked as



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Ex.P-1 to Ex.P-17, while there were no witnesses examined or evidence marked by the respondents.

6. The Tribunal has held that the accident occurred solely on account of the rash and negligent riding of the offending motorcycle bearing registration No. KA-06-ES-4724, as corroborated by police investigation documents (Ex.P1 to Ex.P12). The Tribunal further held that in absence of documentary proof of exact earnings, the notional monthly income of the deceased mason ought to be fixed at Rs.10,000/- for an accident occurred in 2018. Adding 25% towards future prospects (age 40 years as per Ex.P14 driving licence) yielded Rs.12,500/-, and deducting 1/3rd for personal living expenses (2 dependents) left a net monthly contribution of Rs.8,333/-. Applying a multiplier of 15, Loss of Dependency was quantified at Rs.14,99,940/-. The Trial Court additionally awarded Rs.40,000/- towards loss of consortium, Rs. 15,000/- towards loss of estate, Rs.15,000/- towards funeral/ transportation expenses, and Rs.1,37,332/- towards medical expenses (Ex.P16). The tribunal arrived at a total compensation of Rs.17,07,272/- (rounded off to Rs.17,07,500/-) with interest



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at 9% per annum, holding respondent No. 2 primarily liable due to lack of evidence proving breach of policy conditions.

7. Aggrieved by the said order, the petitioner is before this Court, challenging the same on the grounds mentioned hereinabove amongst other grounds.

8. Heard the arguments of Sri. Jagadeesh H.T., learned counsel for the petitioner and Sri. B.C. Shivanne Gowda, learned counsel for the respondent and perused the material on record.

9. Sri. Jagadeesh H.T., learned counsel for the petitioner submitted that the Tribunal fundamentally erred in determining the notional income of the deceased at an unconscionably low figure of Rs.10,000/- per month, completely ignoring his established vocation as a skilled mason. It was submitted that as per the standardized income chart prepared by the Karnataka State Legal Services Authority (KSLSA) for motor accident claims pertaining to the year 2018, the notional monthly income ought to have been fixed at least at Rs.12,500/-. Learned counsel further submitted that the



compensation awarded under the conventional heads, particularly, loss of consortium, for both the surviving spouse and the minor child is grossly inadequate and inconsistent with the binding principles enunciated by the Constitution Bench of the Supreme Court in ***National Insurance Company Limited v. Pranay Sethi***¹, Consequently, learned counsel prayed for a substantial enhancement of the awarded compensation.

10. Sri. B.C. Shivanne Gowda, learned counsel for the respondent submitted that the impugned judgment and award passed by the Tribunal is well-reasoned, equitable, and founded upon proper appreciation of the evidence on record. It was contended that in complete absence of cogent documentary proof establishing the specific monthly earnings of the deceased, the Tribunal was fully justified in assessing the notional income at Rs.10,000/- per month. Learned counsel asserted that the overall compensation awarded under loss of dependency and conventional heads, coupled with a liberal interest rate of 9% per annum, provides just indemnification, leaving no ground for further enhancement.

¹ (2017) 16 SCC 680



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11. Having heard the learned counsel for both sides and upon perusal of the material on record, the primary question that arises for consideration is;

"Whether the quantum of compensation awarded by the Tribunal is just, fair, and reasonable, or whether the same warrants enhancement in accordance with settled legal principles governing motor accident claims?"

12. At the outset, the facts of the case are not in dispute. It is a settled proposition of law that where direct documentary proof of exact monthly earnings is unavailable, Courts must not indulge in arbitrary guesswork, but should adopt a standardized and realistic metric. The accident occurred on 01.12.2018. As per the standard guidelines framed by the Karnataka State Legal Services Authority (KSLSA) for accidents occurring in the calendar year 2018, the notional income for a skilled manual worker/mason is fixed at Rs.12,500/- per month. The Tribunal committed an error in assessing the income at Rs.10,000/- per month. Consequently, the monthly income of the deceased is reassessed at Rs.12,500/-.

13. In light of the principles established in ***Pranay Sethi*** (*supra*), where the deceased was self-employed and



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aged 40 years (as established by the driving licence Ex.P14 showing date of birth as 02.05.1978), an addition of 25% towards future prospects is mandatory. Adding 25% (Rs.3,125/-) to the monthly income of Rs.12,500/- yields an augmented income of Rs.15,625/- per month.

14. Considering that the deceased left behind two legal dependents (wife and minor child), a deduction of 2/3rd towards personal and living expenses is made pursuant to ***Sarla Verma v. Delhi Transport Corporation²***, leaving a net monthly family contribution of Rs.10,416.67/- (Rs.15,625/- x 2/3). Applying the appropriate multiplier of 15 for the age group of 40 years, the Loss of Dependency is recalculated as:

$$\text{Loss of Dependency} = \text{Rs.10,416.67/-} \times 12 \times 15 = \text{Rs.18,75,000/-}$$

15. Applying the decisions in ***Pranay Sethi*** (supra), ***Magma General Insurance Co. Ltd. v. Nanu Ram³*** and ***United India Insurance Co. Ltd. v. Satinder Kaur⁴***, each

² (2009) 6 SCC 121

³ (2018) 18 SCC 130

⁴ (2021) 11 SCC 780



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dependent is entitled to loss of consortium at Rs.40,000/-. Thus, Appellant No. 1 (wife) is entitled to Spousal Consortium of Rs.40,000/- and Appellant No. 2 (minor son) is entitled to Parental Consortium of Rs.40,000/-, totalling Rs.80,000/- under Loss of Consortium. Compensation under the conventional heads of Loss of Estate and Funeral Expenses is maintained at Rs.15,000/- each. The actual medical expenses awarded by the Tribunal to the tune of Rs.1,37,332/- as per Ex.P16 medical bills are affirmed.

Revised compensation

Sl. No.	Head of Compensation	Amount in Rs.
1	Loss of Dependency	18,75,000/-
2	Loss of Consortium (Spousal & Parental)	80,000/-
3	Loss of Estate	15,000/-
4	Funeral and Transportation Expenses	15,000/-
5	Medical Expenses (Ex.P16)	1,37,332/-
	Total Reassessed Compensation	21,22,332/-
	Less: Compensation Awarded by Tribunal	17,07,500/-
	Enhanced Compensation	4,14,832/-



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16. The enhanced amount of Rs.4,14,832/- shall carry interest at the rate of 6% per annum from the date of petition till deposit.

ORDER

- (i) The Miscellaneous First Appeal is **allowed in part.**
- (ii) The impugned judgment and award dated 17.12.2019 passed by the Court of Small Causes and Motor Accident Claims Tribunal, Bengaluru (SCCH-16) in M.V.C. No. 49/2019 is hereby **modified.**
- (iii) The appellants/claimants are held entitled to a total revised compensation of **Rs.21,22,332/-** as against Rs.17,07,500/- awarded by the Tribunal, resulting in an enhancement of **Rs.4,14,832/-.**
- (iv) The enhanced compensation amount of **Rs.4,14,832/-** shall carry interest at the rate of 6% per annum from the date of filing of the claim petition till realization.
- (v) Respondent No. 2 - United India Insurance Co. Ltd. is directed to deposit the enhanced compensation along with accrued interest before the Tribunal within a period of six weeks from the



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date of receipt of a certified copy of this
judgment.

Sd/-
(D K SINGH)
JUDGE

Sd/-
(H.SHANTHI BHUSHAN)
JUDGE

BVK
List No.: 1 Sl No.: 34