

IN THE HIGH COURT OF KARNATAKA AT BENGALURU

DATED THIS THE 8TH DAY OF SEPTEMBER, 2026

BEFORE

THE HON'BLE MR. JUSTICE RAJESH RAI K

MISCELLANEOUS FIRST APPEAL NO.3853 OF 2021(MV-I)

BETWEEN:

SRI MAHABOOB PASHA
S/O SUBHAN SAB
AGED 46 YEARS
R/AT NO.997, BWSSB ROAD
3RD CROS, BASAVESWARANAGARA
WARD NO.18, KANAKAPURA TOWN
KANAKAPURA TALUK
RAMANAGARA DISTRICT - 562 117

...APPELLANT

(BY SRI. PRAKASH M.H, ADVOCATE)

AND:

1. BAJAJ ALL GEN INS CO LTD
OFFICE AT NO.105-A TO 107-A
NO.136, RESIDENCY ROAD
BANGALORE - 560 025
REP BY ITS BRANCH MANAGER
2. SRI. AZEEM
S/O ABDUL GAFOOR
AGE MAJOR
R/AT AZEEZNAGARA, NAVAJI BORE
KANAKAPURA TOWN, KANAKAPURA TALUK
RAMANAGARA DISTRICT - 562 117

...RESPONDENTS

(BY SRI. ANUP SEETHARAM RAO, ADVOCATE FOR R1,
R2-SERVED)

THIS MFA IS FILED U/S 173(1) OF MV ACT AGAINST THE
JUDGMENT AND AWARD DATED 17.10.2020 PASSED IN MVC

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by PANKAJA S
Location: HIGH
COURT OF
KARNATAKA

NO. 6854/2018 ON THE FILE OF THE I ADDITIONAL SMALL CAUSES JUDGE AND MACT, BENGALURU SCCH-11, PARTLY ALLOWING THE CLAIM PETITION FOR COMPENSATION AND SEEKING ENHANCEMENT OF COMPENSATION.

THIS APPEAL HAVING BEEN RESERVED FOR JUDGMENT ON 25.08.2026 COMING ON FOR PRONOUNCEMENT THIS DAY, THE COURT DELIVERED THE FOLLOWING:

CORAM: HON'BLE MR. JUSTICE RAJESH RAI K

CAV JUDGMENT

1. This appeal is by the claimant seeking enhancement of compensation awarded by the Tribunal in MVC.No.6854/2018 vide judgment and award dated 17.10.2020.

2. The factual matrix of the case is that on 30.10.2018 at about 9 p.m., the claimant was travelling in an offending vehicle i.e., car bearing registration No. KA-05-ML-1113 from Bangalore side towards Kanakapura side and when reached near Venkateshwara Kalyana Mantapa, Budiguppe Cross, Kanakapura - Bangalore Road, NH-209 road, Kanakapura Town, Ramanagara District, the driver of the said car drove the same rash and negligently and dashed against the pedestrian. Due to the said impact, the claimant, being the inmate of the car, sustained grievous injuries. Immediately after the accident, he was shifted to Government Hospital, Kanakapura, and thereafter, he was shifted to NIMHANS, Bangalore, wherein he

took treatment as an inpatient. As such, he filed claim petition claiming compensation for the injuries suffered by him in the said accident.

3. The Tribunal, on assessment of both oral and documentary evidence, has awarded a sum of Rs.1,23,200/- along with interest at 9% p.a. from the date of petition till its realisation. However, exonerated the insurer on the ground that the policy issued was 'liability only policy' and that no additional premium was paid by the insured and that the claimant was not a third party. Aggrieved by which, the claimant is before this Court.

4. Heard the learned counsel for the respective parties.

5. Learned counsel for the claimant would contend that the Tribunal has erred in awarding meagre compensation and also erred in exonerating the insurance company from the liability of making good the compensation. Accordingly, he would pray for allowing of the appeal.

6. On the other hand, learned counsel for the insurer would contend that the Tribunal has rightly exonerated the insurer since the coverage of policy in respect of offending vehicle is 'liability only policy' and thus, the claimant, being third party, is

not entitled for any compensation from the insurer. Accordingly, he would pray for dismissal of appeal. To buttress his argument he relied on the following judgments:

*i. National Insurance Co. Ltd vs. Thungala
Dhana Laxmi and others -
MANU/SC/0804/2026.*

*ii. Oriental Insurance Company Ltd. and others
vs. Surendra Nath Loomba and others.-
MANU/SC/0988/2012.*

*iii. National Insurance Company Ltd. vs.
Balakrishnan and others -
MANU/SC/0987/2012.*

*iv. Oriental Insurance Co. Ltd. vs. Sudhakaran
K.V and others - MANU/SC/7736/2008.*

7. I have given my anxious consideration to the submissions of learned counsel for the respective parties and perused the material on record.

8. As could be gathered from records, the occurrence of the accident and the coverage of policy of the offending vehicle are not in dispute. However, as regards exoneration of insurer from

its liability to make good the compensation is concerned, the Division Bench of this Court in MFA.No.517/2020 disposed of on 25.04.2026 has clearly held referring to the judgment of the Hon'ble Supreme Court in the case of ***Sunita & Others Vs. United India Insurance Co. Ltd. & Others - 2025 SCC Online SC 1464*** that in view of law laid down in the said case on "liability only policy", following the same under the mandate of Article 141 of the Constitution of India, the insurer is primarily liable to pay the compensation with liberty to recover the same from the owner of the vehicle. The relevant paragraph No.12 of the said judgment reads as under:

*"12. Sri.Lakshmi Narasappa, learned counsel appearing on behalf of Sri.A.M.Venkatesh, tried to convince us on the judgment referred to by Ms.Vanchika Mathur, contending that the judgment is factually distinguishable. He tries to impress upon us that in the case on hand the deceased was an inmate in a private car and the policy issued is a private car - act policy i.e., "liability only policy". However, in the case of **Sunita** supra, the person died was an inmate traveling in a goods vehicle i.e., TATA 407 Truck, as such the facts are different, further, taking us through paragraph Nos.11 and 12 submits that since the special premium not paid in respect of the inmates, the*

*policy cannot be extended to the inmate of the vehicle, since it is an act policy. On this he submits that the judgment of the Supreme Court is distinguishable. We failed understand what difference it would make for an inmate to be in a goods vehicle and in a private car. The facts referred in the judgment of the Supreme Court clearly stated that the deceased was an inmate in the TATA 407 Truck i.e., goods vehicle and the policy issued is act policy. The policy issued in respect of private car in the case on hand is also the same i.e., "liability only policy". In that view of the matter, the contentions of the learned counsel for the Insurer that judgments distinguishable on the facts cannot be countenanced. In that view of the matter, the latest judgment of the Supreme Court, in **Sunita** case supra in clear terms has held that even where the insurance policy is a "liability only policy" and no premium was paid to cover the driver, owner, or a gratuitous passenger traveling therein, the principle of pay and recovery can be invoked."*

9. w the findings of the Tribunal in this regard is modified.
10. As regards compensation is concerned, the Tribunal has assessed the disability at 5%. However, since the Doctor PW.2 assessed the permanent disability of the claimant at 11.5% due to the malunion of nasal bone septum and malunion of nasal

bridge area, I deem it just and appropriate to assess the disability at 10%.

11. The Tribunal has determined the monthly income, notionally at Rs.8,000/-. Since there is no credible documentary evidence to ascertain the actual monthly income, it would be appropriate and prudent to adopt the monthly income determined by Karnataka State Legal Services Authority, which, for the accident of the year 2018, would be Rs.12,500/-.

12. As the claimant was aged about **42** years, a multiplier of '14' would have to be applied. Consequently, the claimant would be entitled to a sum of **Rs.2,10,000/-** (Rs.12,500 x 12 x 14 x 10%) towards '*loss of future income*' as against Rs.67,200 /- awarded by the Tribunal.

13. The Tribunal has not awarded any sums towards loss of income during laid up period. Having regard to the injuries suffered by the claimant, he would also be entitled to a sum of **Rs.37,500/-** (Rs.12,500 X 3 months) treating the laid up period as three months towards '*loss of income during laid up period*'.

14. Having regard to the nature of injuries and the lasting effects of the same on the claimant, I deem it just and appropriate to award a sum of **Rs.40,000/-** as against Rs.25,000/- towards '*pain and sufferings*' and **Rs.25,000/-** as against Rs.10,000/- towards '*loss of amenities*' awarded by the Tribunal.

15. Since the claimant suffered grievous injuries, I deem it just and appropriate to award **Rs.10,000/-** towards incidental expenses as against Rs.500/- awarded by the Tribunal.

16. The sum of **Rs.16,740/-** awarded towards '*medical expenses*', being based on documentary evidence, is affirmed. The sum of **Rs.20,000/-** awarded by the Tribunal towards '*Future Medical Expenses*', being just and proper, is affirmed.

17. Consequently, the award of the Tribunal is modified and the claimant would be entitled to the following compensation:

Sl. N o.	Compensation under different Heads	As awarded by the Tribunal (Rs.)	As awarded by this Court (Rs.)
1.	Pain and sufferings	25,000	40,000
2.	Medical expenses	500	500
3.	Food, Conveyance, nourishment and other incidental charges	500	10,000

4.	Loss of earning capacity	67,200	2,10,000
5.	Loss of amenities	10,000	25,000
6.	Future medical Expenses	20,000	20,000
7.	Loss of income during laid up period	-	37,500
	Total	1,23,200	3,43,000

18. Thus, the claimant is held entitled to the total compensation of **Rs.3,43,000/-** as against Rs.1,23,200/-. The enhanced compensation shall carry interest at that rate of 6% per annum from the date of petition till its realization except the amount awarded under future medical expenses.

19. The Insurance Company is directed to deposit the amount of compensation awarded within six weeks from the date of receipt of a certified copy of this judgment and thereafter recover the same from the owner of the vehicle.

Accordingly, the appeal is ***allowed in part.***

**SD/-
(RAJESH RAI K)
JUDGE**

PKS