

HC-KAR



CNR: KAHC010443912016

NC: 2026:KHC:38868-DB
MFA No. 7208 of 2016
C/W MFA No. 7209 of 2016
MFA No. 7967 of 2016

IN THE HIGH COURT OF KARNATAKA AT BENGALURU

DATED THIS THE 27TH DAY OF JULY, 2026

PRESENT

THE HON'BLE MR. JUSTICE JAYANT BANERJI

AND

THE HON'BLE MS. JUSTICE TARA VITASTA GANJU

MISCELLANEOUS FIRST APPEAL NO.7208 OF 2016

(MV-I)

C/W

MISCELLANEOUS FIRST APPEAL NO.7209 OF 2016

(MV-D)

MISCELLANEOUS FIRST APPEAL NO.7967 OF 2016

(MV-D)

IN MFA No.7208/2016:

BETWEEN:

THE BRANCH MANAGER
ORIENTAL INSURANCE CO. LTD.,
BRANCH OFFICE, P.B.NO.13,
16-1-25, T.T.COMPLEX,
1ST FLOOR, MF ROAD,
HINDUPUR – 515 201.

BY
ORINETAL INSURANCE CO. LTD.,
REGIONAL OFFICE NO.144,
NO.44\45, LEO SHOPPING COMPLEX,
RESIDENCY CROSS ROAD,
BANGALORE – 560 025. BY IT'S MANAGER.

...APPELLANT

(BY SRI. O MAHESH, ADVOCATE)

Digitally
signed by JAI
JYOTHI J
Location:
High Court
of Karnataka

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AND:

1. K. N RUKMANI
AGE 42 YEAR,
W/O LATE L.MANJUNATH,
SINCE DIED ON 26.04.2021 BY HER LR'S
- 1(a). 2. KIRAN M
AGE 23 YEAR,
S/O LATE L.MANJUNATH,
- 1(b). 3. RAGHU M
AGE 22 YEAR,
S/O LATE L.MANJUNATH,
- 1(c). 4. KUM: SNEHA M
NOW MAJOR,
PETITIONER NO.4 IN T.C
RESPONDENT NO.4 NOW MAJOR,
DISCHARGED FROM M\G. K.N.RUKMINI
R.NO.1 NOW DICEASED
RESIDING AT K.K.BUILDING,

ALL ARE RESIDING AT
K.K.BUILDING
KGF MAIN ROAD, BANGARPET,
KOLAR DISTRICT – 563101.
5. SUSHEELAMMA
SINCE DECEASED
W/O LATE LOKESH,
BY HER LR's 1(a), 1(b) & 1(c)
ALL ARE RESIDING AT
K.K.BUILDING, KGF MAIN ROAD,
BANGARPET,
KOLAR DISTRICT.
6. SMT. SARASWATHI
MAJOR,

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W/O JAYASEELAN, NO.78,
HENDRY, A.M.LANE,
COROMANDAL (P), KGF.

7. M/S SARAVANA TVS AUTHORISED
DEALER (TVS MOTOR CO. LTD.)
DR. AMBEDKAR ROAD, (STATION ROAD)
OPP: LIC OF INDIA,
ROBERTSONPET, KGF.

BY ITS PROPRIETOR AND ALSO
R/AT A.RAMANI,
AGE 54 YEAR,
S/O ARMUGAM,
AGED 50 YEARS,
PROPRIETOR,
M/S SARVANA TVS SHOWROOM,
5THCROSS, PIPE LINE,
HINDU ARMUGAM BUILDING,
ROBERTSONPET, KGF.

...RESPONDENTS

(BY SRI. G.SRINIVASA, ADVOCATE FOR R2 TO R4;
R1 & R5 ARE DEAD & R2-R4 ARE THEIR SURVIVING HEIRS;
R6 & R7 ARE SERVED)

THIS MFA IS FILED UNDER SECTION 173(1) OF MV ACT
PRAYING TO ALLOW THE APPEAL AS PRAYED FOR BY SETTING
ASIDE THE JUDGMENT AND AWARD DATED 26.07.2016
PASSED IN MVC NO.123/2012 PASSED BY THE COURT OF III
ADDITIONAL DISTRICT & SESSIONS JUDGE, KOLAR, (SITTING
AT K.G.F) AND MEMBER MOTOR ACCIDENT CLAIMS TRIBUNAL,
WITH COSTS IN THE INTERESTS OF JUSTICE AND EQUITY.

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IN MFA NO.7209/2016:

BETWEEN:

THE BRANCH MANAGER
ORIENTAL INSURANCE CO. LTD.,
BRANCH OFFICE, P.B.NO.13,
16-1-25, T.T. COMPLEX,
1ST FLOOR, MF ROAD,
HINDUPUR – 515 201.

BY

ORINETAL INSURANCE CO. LTD.,
REGIONAL OFFICE NO.144,
NO.44\45, LEO SHOPPING COMPLEX,
RESIDENCY CROSS ROAD,
BANGALORE – 560 025.
BY IT'S MANAGER.

...APPELLANT

(BY SRI. O MAHESH, ADVOCATE)

AND:

1. KUM: SNEHA M
NOW AGED ABOUT 25 YEARS,
D/O LATE MANJUNATH,
SINCE SHE IS NOW MAJOR AND SINCE
HER NATURAL GUARDIAN
AND MOTHER K N RUKMINI
IS DEAD DIED ON 26.04.2021

RESIDING AT K.K.BUILDING,
KGF MAIN ROAD, BANGARPET,
KOLAR DISTRICT.

2. SMT: SARASWATHI
MAJOR, W/O JAYASEELAN,

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NO.78, HENDRY, A.M.LANE,
COROMANDAL (P), KGF.

3. M/S. SARAVANA TVS
AUTHORIZED DEALERS,
(TVS MOTORS COMPANY LTD.,)
DR. AMBEDKAR ROAD,
(STATION ROAD), OPP: LIC OF INDIA,
ROBERTSONPET, KGF
BY ITS PROPRIETOR AND ALSO
R/AT A RAMANI,
AGE 54 YEAR,
S/O ARMUGAM,
PROPRIETOR,
M/S SARAVANA
TVS SHOWROOM, 5TH CROSS,
PIPE LINE, HINDU ARMUGAM BUILDING,
ROBERTSONPET, KGF.

...RESPONDENTS

(BY SRI. SRINIVASA G, ADVOCATE FOR R1;
R2 & R3 ARE SERVED)

THIS MFA IS FILED UNDER SECTION 173(1) OF MV
ACT PRAYING TO ALLOW THE APPEAL AS PRAYED FOR BY
SETTING ASIDE THE JUDGMENT AND AWARD DATED
26.07.2016 PASSED IN MVC NO.124/2012 PASSED BY THE
COURT OF III ADDITIONAL DISTRICT & SESSIONS JUDGE,
KOLAR, (SITTING AT K.G.F) AND MEMBER MOTOR
ACCIDENT CLAIMS TRIBUNAL, WITH COSTS IN THE
INTERESTS OF JUSTICE AND EQUITY.

IN MFA NO.7967/2016:

BETWEEN:

1. SMT. K.N.RUKMANI
SINCE DEAD BY HER LR'S,
HER LRs ARE ALREADY ON RECORD
i.e., A2 TO A4

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2. SRI. KIRAN.M
SON OF LATE L.MANJUNATH,
AGED 23 YEARS,

3. SRI. RAGHU.M
SON OF LATE L.MANJUNATH,
AGED 22 YEARS,

4. KUM. SNEHA.M
D/O OF LATE L.MANJUNATH,
AGED 25 YEARS,

ALL ARE RESIDING AT
K.K.BUILDING,
KGF MAIN ROAD,
BANGARPET, KOLAR DISTRICT.

5. SMT. SUSHEELAMMA
SINCE DEAD BY LR'S,
HER LR's ARE ALREADY ON RECORD
i.e., A2 TO A4

...APPELLANTS

(BY SRI. SRINIVASA.G., ADVOCATE)

AND:

1. THE ORIENTAL INSURANCE CO. LTD.,
BO. P.B.NO.13,
16-1-25, TT COMPLEX,
1ST FLOOR, MF ROAD,
HINDUPUR – 515 201.

2. SMT. SARASWATHI
WIFE OF JAYASEELAN,
NO.78, HENDRY, AM LANE,
COROMANDAL(P), KGF.

3. M/S SARAVANA TVS
AUTHORISED DEALERS

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(TVS MOTORS CO. LTD.,)
DR. AMBEDKAR ROAD,
(STATION ROAD),
OPP. LIC OF INDIA,
ROBERTSONPET, KGF,
BY ITS PROPRIETOR AND ALSO
R/AT A.RAMANI,
SON OF ARMUGAM,
AGED ABOUT 54 YEARS

PROPRIETOR:
M/S SARAVANA TVS SHOWROOM,
5TH CROSS, PIPELINE,
HINDU ARMUGAM BUILDING,
ROBETSONPET, KGF.

...RESPONDENTS

(BY SRI. O. MAHESH, ADVOCATE FOR R-1;
SRI. K.J.JAGADEESH, ADVOCATE FOR R3;
R2-SERVED)

THIS MFA IS FILED UNDER SECTION 173(1) OF MV
ACT PRAYING TO a) SET ASIDE THE JUDGMENT AND
AWARD DATED 26.07.2016 AND MODIFY THE JUDGMENT
AND AWARD PASSED BY THE III ADDITIONAL DISTRICT &
SESSIONS JUDGE, KOLAR (SITTING AT K.G.F) AND
MEMBER MACT IN MVC NO.123/2012 AND CONSEQUENTLY
ALLOW THE CLAIM PETITION BY AWARDING
COMPENSATION OF Rs.50,00,000/- (RUPEES FIFTY LAKHS
ONLY); b) AWARD THE COSTS OF THIS APPEAL, ETC

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

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CORAM: HON'BLE MR. JUSTICE JAYANT BANERJI
&
HON'BLE MS. JUSTICE TARA VITASTA GANJU

ORAL JUDGMENT

(PER: HON'BLE MR. JUSTICE JAYANT BANERJI)

**M.F.A.No.7208/2016, M.F.A.No.7209/2016 & M.F.A.
No.7967/2016**

1. The aforesaid MFA No.7208/2016 is filed by the Insurance Company challenging the common Judgment dated 26.07.2016 and Award of the III Additional District and Sessions Judge, Kolar, (Sitting at KGF) and Member, Motor Accident Claims Tribunal¹, in MVC No.123/2012, which MVC relates to the death of husband of the petitioner No.1 and the father of the petitioners No.2, 3 and 4. The petitioner No. 5 is the mother of the deceased.

1.1 MFA No.7209/2016 is filed by the Insurance Company challenging the Award of the aforesaid Tribunal in MVC No.124/2012, arising out of the common

¹ Tribunal

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judgment, which MVC relates to the accidental injuries sustained by the minor daughter of the deceased, Kum.Sneha.

1.2 The aforesaid MFAs are filed by the Insurance Company seeking to challenge the respective awards on two grounds urged by learned Counsel for the appellant. Firstly, that no insurance policy was issued and therefore there is no liability of the Insurance Company. Secondly, it is urged that the quantum of compensation is excessive.

1.3 M.F.A.No.7967/2016 is filed by the claimants challenging the award in M.V.C.No.123/2012 and seeking enhancement of compensation.

2. It appears that the deceased L. Manjunath was the rider and his daughter Kum. Sneha [petitioner in MVC No.124/2012] was the pillion rider of TVS XL Moped bearing registration No.KA-08/K-2519, who were proceeding towards the Hospital on Bangarpet-KGF Main Road on the left side, by observing all traffic rules and

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when they reached a place near Khan Building at KGF, the rider of Apache Motor Cycle bearing registration No.KA-08/Q-1058 drove the Motor Cycle in a rash and negligent manner and dashed against their Motor Cycle. Due to the impact of the accident, L. Manjunath succumbed to the injuries and his daughter sustained grievous injuries and multiple fractures all over her body. The aforesaid L. Manjunath was taken to the General Hospital at Bangarpet, where the Doctors declared him brought dead.

3. The case of the petitioners of MVC No.123/2012 was that they had spent more than Rs.1,00,000/- towards funeral expenses of the deceased including eleventh day ceremony and other rituals.

3.1. It was stated that the deceased was a professional Photographer and proprietor of a Studio, earning more than Rs.50,000/- per month. He was the only earning member in the family and the petitioners were fully dependent on the deceased. The petitioners

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were left without any earning in the family. The jurisdictional police registered a case in Crime No.337/2011 under Sections 279, 337, 304A of the IPC. On the date of the accident, the Insurance policy was in force and hence the respondents were jointly and severally liable to pay the compensation.

3.2. In the Written Statement filed by the respondent No.1/Insurance Company, which was subsequently amended, the death of the deceased in the accident was denied. The involvement of the offending vehicle on 10.12.2011 was denied. The negligence of the driver of the said vehicle was also denied. Negligence of the deceased and the other person travelling on the TVS XL Moped was alleged, as being the sole cause for the alleged accident. It was further stated that the insurance Policy was not generated on the Cover Note No.929452 reported to have been issued by the agent. The premium was not remitted to the Branch Office, Hindupur, for the

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issuance of Policy. It was stated that in the absence of premium, no Policy was generated on the Cover Note and the Cover Note was misused at the Dealer, which was arrayed as respondent No.3.

3.3. It was stated that in the absence of consideration which is the premium, no contract of insurance was in existence and as such, the Insurance Company is not liable to pay the compensation. It was further stated that respondent No.1 through its Division Office, Ananthapur, had issued registered letters dated 24.09.2012 and 19.10.2012 about the non-receipt of the remittance with regard to the Cover Notes issued to the respondent No.3.

3.4. It was also stated that the respondent No.2/ owner of the offending vehicle, did not even lodge an OD claim with the respondent No.1/Insurance Company for the damaged vehicle. The respondent No.2/owner had not insisted for any policy document on the Cover Note.



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Therefore, it was stated that there was no contract of insurance. It was alleged that the drivers of the vehicles did not possess a valid Driving Licence and valid permit at the time of the alleged accident.

4. On considering the pleadings of the parties, the following issues were framed in MVC No.123/2012:

"1. Whether the petitioner proves that on 10/12/2011 at 9.15 p.m. while deceased L.Manjunath was proceeding in his TVS XL Moped No.KA-08-K-2519 along with 4th petitioner as pillion rider near Khan building, K.G.F.-Bangarpet Main Road slowly and cautiously the rider of Apachi Motor cycle bearing No.KA-08-Q-1058 ridden in a rash and negligent manner and dashed violently against the deceased Motor Cycle. Due to the impact the deceased sustained to injuries and 4th petitioner sustained grievous bleeding injuries and multiple fractures all over the body?

2. Whether respondent No.1 proves that the vehicle No. KA-08-Q-1058 was not at all insured and Driver of both vehicles did not possess valid/effective driving license at the time of accident?

3. Whether respondent No.1 proves that the petition is bad for non joinder of necessary parties?

4. Whether the petitioner is entitle for compensation/quantum of compensation as claimed in the petition, if so to what extent?

5. What order or award?"

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4.1. In MVC No.124/2012, the following issues were framed:

"1. Whether the petitioner proves that she sustained injuries in a motor vehicle accident that allegedly occurred on 10/12/2011 at 9.15 p.m. in front of Khan building, Bangarpet main road, KGF, due to rash and negligent driving of Apache Motor Cycle bearing Regd. No.KA-08/Q-1058 by its driver?"

2. Whether the respondent proves that alleged accident was due to sole negligence of rider of TVS XL Moped bearing Regd. No.KA-08/K-2519?"

3. Whether the petitioner is entitled for compensation? If so to what extent and from whom?"

4. What order or award?"

4.2. The issues in MVC No.123/2012 were answered as follows:

"Issue No.1 : Affirmative

Issue No.2 : Negative

Issue No.3 : Negative

Issue No.4 : Partly affirmative

Issue No.5 : As per final order for the following:"

4.3. The issues in MVC No.124/2012 were answered as follows:

"Issue No.1 : Affirmative

Issue No.2 : Negative

Issue No.3 : Partly Affirmative

Issue No.4 : As per final order for the following:"

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5. With regard to issue No.2 in MVC No.123/2012, the oral evidence of RW-2, the Officer of the Insurance Company, was noted by the Tribunal. The records produced at Exhibits R-7 to R-19 were also considered. The contents of Exhibit R-7 were noted that under a 'tie-up' arrangement between the Insurance Company and the respondent No.3/dealer, the Insurance Company had supplied several Insurance Cover Note Books with 20 Cover Notes in each Book on 05.08.2011, including Cover Note Book No. 46473, with Cover Note Nos.929441 to 929460 for coverage of brand new TVS make two-wheelers. The respondent No.3/dealer had issued a reply to the notice [Exhibit R-7] to the Insurance Company, by means of a letter [Exhibit R-13] stating that the Branch Office of Hindupur had collected Rs.42,91,000/- from his office on 17.09.2012 with regard to the insurance Cover Notes. Accordingly, the respondent No.3/dealer requested the Insurance Company to furnish the details of the



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amount collected towards issue of Cover Notes and Policies. Exhibit R-10 is the notice dated 24.09.2012 issued by the respondent No.1/Insurance Company to the respondent No.2/owner, calling upon him to furnish a copy of insurance policy relating to Cover Note No.929452, issued by the Insurance Company for verification.

5.1 Exhibit R-15 was noted by the Tribunal to be a letter dated 14.03.2013 sent by the respondent No.1/Insurance Company to the respondent No.3/dealer, stating that an amount of Rs.10,672/- was lying in their cash deposit balance. A discharge voucher for the said amount was enclosed with a letter for being stamped and signed and to enable them to pay the CD balance. The Tribunal observed that a perusal of the various Exhibits reflected that an amount of Rs.42,91,900/- was collected by the respondent No.1/Insurance Company and after discontinuance of business with respondent No.3/dealer, an amount of Rs.10,672/- was lying in the cash balance. It

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was observed that it was not understandable, how the respondent No.1/Insurance Company contended that the premium of Cover Note of the offending vehicle was not remitted to the Insurance Company for the reason that the business transaction between the respondent No.1/ Insurance Company and respondent No.3/dealer came to be discontinued long after the issuance of Cover Note No.929452 to the offending Motor Cycle.

5.2. Exhibit R-16 was also noted by the Tribunal, which document was produced by the Insurance Company itself, to show that disciplinary action was initiated against the respondent No.2, who was then the Branch Manager of the Insurance Company at the Branch Office at Hindupur relating to misuse of Cover Notes supplied to the respondent No.3/dealer including the Cover Note issued in respect of the offending Motor Cycle.

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5.3. Exhibit R-17 was the notice issued by the respondent No.1/Insurance Company to RW-2 in the disciplinary action along with articles of charge.

5.4 Exhibit R-18 was the office copy of the legal notice dated 17.07.2015 of the Insurance Company, said to have been issued to the respondent No.3/dealer. However, there was nothing to show that Exhibit R-18 was served on the respondent No.3.

5.5. Exhibit R-19 is an Order dated 01.02.2016 relating to imposition of penalty on RW-2, in view of proof of charges levelled against him in disciplinary inquiry. It was held that Insurance Company could not deny its liability to pay compensation to the petitioners who are third parties to the transaction between the respondent No.1/Insurance Company and the respondent No.3/dealer. The oral evidence of RW-1, who is the respondent No.2 and owner of the offending vehicle was recorded, which reflected that the respondent No.3/dealer issued the



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insurance Cover Note by collecting full insurance premium amounts and by producing the Cover Note as per Exhibit P-24 before the ARTO, KGF and the vehicle was registered in her name.

5.6. The evidence of RW-2 relating to the signature and seal of the Insurance Company on the Cover Note of the offending Motor Cycle was noted, in which it was reflected that Exhibit P-24, which is the insurance Cover Note, was issued from the Insurance Company on 03.09.2011. The witness stated that the premium amount of the Cover Note was not credited to the Insurance Company by the dealer of vehicle, who is the respondent No.3. It was also admitted that Exhibit P-24 bore the seal and signature of the Branch Manager of the Insurance Company and he was the Branch Manager on 03.09.2011, when Exhibit P-24 was issued. He admitted his signature on Exhibit P-24 for issuing the same. In the cross-examination of RW-2, it was noted that the insurance



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Cover Note [Exhibit P-24] was issued only after recovery of the premium amount. The Cover Note was issued through the respondent No.3/dealer. The RW-2 also admitted that since the petitioners are third parties, the Insurance Company is liable to pay compensation based on Cover Note of insurance policy [Exhibit P-24].

6. The petitioners of MVC No.123/2012 were held entitled for compensation as under:

1. Towards loss of dependency	Rs.9,82,800/-
2. Towards loss of estate	Rs.20,000/-
3. Towards loss of consortium	Rs.50,000/-
4. Towards loss of love and affection	Rs.50,000/-
5. Towards funeral expenses and transportation of dead body	Rs.20,000/-
TOTAL	11,22,800/-
Rounded off to	11,23,000/-

7. As regards MVC No.124/2012, the Wound Certificate [Exhibit P-6] and the Hospital discharge summary [Exhibit P-34] were seen. The injured had produced Certificate of the Doctor at Exhibit P-40 to the



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effect that she required a sum of Rs.80,000/- for another surgery for removal of implants. She had produced the hospital and medicine bills of Hosmat Hospital, Bengaluru [Exhibit P-36] which disclosed that an amount of Rs.82,000/- was spent towards treatment expenses. However, the amount was observed to be excessive and exorbitant and a sum of Rs.50,000/- was awarded towards future medical expenses. A sum of Rs.40,000/- was awarded towards pain and suffering and a sum of Rs.20,000/- was awarded towards conveyance, nourishment and attendant charges. The tabular chart was as follows:

1. Towards pain and suffering	Rs. 40,000/-
2. Towards treatment expenses (as per bills)	Rs. 82,000/-
3. Towards future medical expenses	Rs. 50,000/-
4. Towards conveyance, nourishment and attendant charges etc.	Rs. 20,000/-
TOTAL	Rs.1,92,000/-

7.1. The petitioners were held entitled to 9% per annum interest on the compensation amount from

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16.05.2012 being the date on which both petitions came to be filed. The compensation amount in MVC No.124/2012 was ordered to be kept in Fixed Deposit for a period of seven years or till the petitioner of that case attained majority whichever was later, with a provision to draw periodical interest.

8. The learned counsel for the appellant/Insurance Company reiterated what was stated on behalf of the Insurance Company before the Tribunal, that is to say, the Insurance Cover Note [Exhibit P-24] that was issued was without consideration inasmuch as no premium was paid. It is stated that the action was also taken against its own Officer for violation of procedure in respect of which articles of charges was served on the Officer and disciplinary proceedings was initiated. Therefore, it is his contention that the Tribunal misdirected itself in awarding compensation based on such a document.

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9. The learned counsel appearing for the claimants, has however, opposed the petitions filed by the Insurance Company and has referred to the various documents, particularly Exhibit R-16, which was the disciplinary proceedings initiated against RW-2 and the exchange of correspondences between the respondent No.1/Insurance Company and the respondent No.3/dealer to contend that there could have been a private dispute between the respondent No.1 and respondent No.3, but, that in itself would not absolve the Insurance Company of its liability under the Cover Note to make the payment, the valid issuance of which is not denied by the Insurance Company.

10. The points that arise for determination in these appeals are:

[i] Whether the Insurance Company can deny insurance coverage in respect of the offending vehicle?

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[ii] Whether the compensation awarded in MVC No.123/2012 was correctly adjudged by the Tribunal?

11. We have perused the record. The contention of the learned counsel appearing for the respondent No.1/ Insurance Company is not correct. Once the validity of the insurance Cover Note to the respondent No.2/owner is admitted, they cannot be permitted to deny the insurance coverage in respect of the offending vehicle.

12. As noted above, the entire amount of Rs.42,91,900/- that was available with the Insurance Company from the respondent No.3/dealer was accounted for and a surplus of Rs.10,672/- was noticed as balance by the Insurance Company which was informed to the respondent No.3/dealer by means of Exhibit R-15 dated 14.03.2013. That amount of Rs.10,672/- not being accounted for, clearly reflects that it was an unaccounted sum of money available with the Insurance Company pertaining to transactions between the respondent

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No.3/dealer and third parties. Therefore, the contention advanced on behalf of the Insurance Company regarding non-receipt of premium in respect of the offending vehicle are specious and unsupported by evidence, and therefore rejected. The point No.[i] is accordingly answered.

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13. The contention of learned counsel for the appellants/claimants in this case is that the notional monthly income of the deceased was taken to be Rs.6,000/-, whereas he was a Photographer having his own Studio, having an income of not less than Rs.50,000/- per month.

14. However, the learned counsel for the appellants/claimants has not been able to place any document that would evince the income of the deceased. No income tax returns or any other document has been filed evincing the income of the deceased. The documents that are sought to be relied upon are the documents issued by the concerned

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authorities of the Government relating to registration of the Studio and other such documents. Though the petitioner No.1 herein (PW-1) in her testimony has stated that her husband used to employ four labourers to do the work of the studio, no evidence has been produced in that regard. Therefore, we cannot but fall back on the Notional Income Chart as approved by the Karnataka State Legal Services Authority, Bengaluru, in this regard, which reflects that for the year 2011, the notional income ought to be taken as Rs.6,500/- per month. Given the age of the deceased being 43 years, the appropriate multiplier applicable would be '14'. As per the law laid down in the case of ***National Insurance Co. Ltd. v. Pranay Sethi***², if the deceased was above the age of 40 years and self-employed, the future prospects is to be taken at 25%. There being five dependents of the deceased, who are the petitioner Nos.1 to 5, the deduction would be 1/4th. Thus, the loss of dependency is recalculated as under:

² (2017) 16 SCC 680

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$$\begin{aligned} & \text{Rs.}6,500/- (+) 25\% (1,625/-) = 8,125/- \\ & \text{Rs.}8,125/- (-) 1/4^{\text{th}} (2,031/-) = 6,094/- \\ & \text{Rs.}6,094/- \times 12 \times '14' = \mathbf{10,23,792/-} \end{aligned}$$

15. Insofar as it relates to the compensation awarded towards conventional heads, it can be seen that the Tribunal has awarded Rs.50,000/- towards loss of consortium and Rs.50,000/- towards loss of love and affection. Further, a sum of Rs.20,000/- each is awarded towards loss of estate and transportation of dead body and funeral expenses.

15.1. In view of the law laid down by the Supreme Court in ***Pranay Sethi's*** case, the loss of consortium is payable at Rs.40,000/- to each claimant, which works out to Rs.2,00,000/- [i.e. Rs.40,000/- x 5 claimants].

15.2. It is undisputed that the accident occurred in the year 2011. Hence, this Court deems it fit to give an escalation at 30% towards the conventional heads, except towards the head 'transportation of dead body and funeral



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expenses' which is retained. The point No.[ii] is accordingly answered. Thus, the revised calculation would be as follows:

Sl. No.	Particulars	Amount (Rs.)
1	Loss of Dependency [Rs.6,500/- (+) 25% (1,625/-) = 8,125/- Rs.8,125/- (-) 1/4 th (2,031/-)=6,094/- Rs.6,094 x 12 x '14']	10,23,792/-
2	Funeral and transportation expenses	20,000/-
3	Loss of Estate [Rs.15,000/- (+)30%(4,500/-)]	19,500/-
4	Loss of Consortium [Rs.40,000/-x5=2,00,000/- Rs.2,00,000/- (+)30%(60,000/-)]	2,60,000/-
	TOTAL	13,23,292/-
	Less: Awarded by the Tribunal	11,23,000/-
	Enhanced compensation	2,00,292/-

16. Hence, the appellants/claimants are entitled to a total compensation of **Rs.13,23,292/-** along with interest as awarded by the learned Tribunal, from 16.05.2012 till its realization. We are not inclined to interfere with the



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rate of interest awarded by the Tribunal at 9% per annum with effect from 16.05.2012.

17. Accordingly, this Court proceeds to pass the following:

ORDER

(i) The appeals filed by the Insurance Company in MFA No.7208/2016 (MVC No.123/2012) and MFA No.7209/2016 (MVC No.124/2012) are ***dismissed;***

(ii) The appeal filed by the claimants/appellants in MFA No.7967/2016 (MVC No.123/2012) is ***allowed in-part;***

(iii) The impugned common Judgment and Award dated 26.07.2016 in MVC No.123/2012 passed by the III Additional District & Sessions Judge, Kolar (Sitting at K.G.F) & Member, Motor Accident Claims Tribunal, is modified, enhancing the compensation

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by **Rs.2,00,292/-** along with interest at the rate of 9% per annum as awarded by the learned Tribunal from 16.05.2012 till realization.

(iii) The remaining portion of the Impugned Award of the Tribunal remains undisturbed.

(iv) The respondent No.1/Insurance company is directed to pay the enhanced compensation with interest as awarded by the Tribunal within eight weeks from today.

(v) Given the amendment in the cause title made pursuant to the order of the Court dated 13.02.2025 in MFA No.7967/2016, the modified award of the Tribunal insofar as apportionment of compensation to the claimants is concerned, to the effect that the petitioner Nos. 2, 3 and 4, who are the survivors at present, who, on their behalf as well as on behalf of the legal representatives of the

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deceased petitioners No.1 and 5, shall receive the amount of compensation in equal proportion.

(vi) The amount deposited by the Insurance Company in MFA No.7208/2016 and MFA No.7209/2016 shall be transmitted to the concerned Tribunal for disbursement.

(vii) The Registry is directed transmit a copy of this judgment to the concerned Tribunal, along with its records.

(viii) No order as to costs.

Sd/-
(JAYANT BANERJI)
JUDGE

Sd/-
(TARA VITASTA GANJU)
JUDGE

BMV*

List No.: 1 Sl No.: 15