



**IN THE COURT OF THE ADDL. SENIOR CIVIL
JUDGE & JMFC-I & COMMISSIONER FOR
EMPLOYEES COMPENSATION, RAICHUR,
AT: RAICHUR**

**Present : Sri.Shankarappa Malashetti
B.com, L.L.B.,(Spl)**

**Addl. Senior Civil Judge & JMFC-I
& Commissioner for Employees
Compensation, Raichur.**

Dated this 29th day of June-2026

ECA No. 01/2018

BETWEEN:

1. Smt. Shivamma W/o Hanumantharaya,
Age: 32 years, Occ:Housewife,
2. Rangayya S/o Hanumantharaya,
Age: 4 years,
3. Sabayya @ Sabagouda S/o Nagappa,
Age: 70 years, Occ: Nil,
4. Hanumanthi W/o Sabayya @ Sabagouda,
Age: 66 years, Occ:Nil,
Petitioner No.2 is the minor and
U/G ship of the petitioner No.1 i.e., Natrual
mother.
All are residing at Haddinal Village,
Tq: Devadurga Dist: Raichur,
Now residing at 1st cross Shakthinagar,

Tq and Dist: Raichur.

.. Petitioners

(By Shri. BVP Advocate)

AND:

1. B. Nagalaxmi W/o Ramakrishan,
Owner of John Decree Tractor 5050D
bearing No.KA-36/TC-5016,
R/o. Srinivas Camp, Post: Javalagera,
Tq: Sindanoor and Dist: Raichur.
2. The Branch Manager
Reliance General Insurance Company Policy
issuing office, No.40, 1st Floor SLV Towers,
Parvathi Nagar, Main Raod Ballary
Karnataka.
Vide Policy No.141226234000323.
Validity: From 15-05-2015 to 14-05-2016.

... Respondents

(R1 by Shri. KVP Advocate)
(R2 by Shri. ASMP Advocate)

J U D G M E N T

This is a petition filed under R/w 22 of Employees Compensation Act, 1923 (herein after called as E.C Act).

2. The petitioner No.1 is the wife, petitioner No.2 is the son and petitioner No.3 and 4 are the parents of

deceased Hanumatharayya S/o Sabayya @ Sabagouda who was working as Coolie under employment of respondent No.1. On 01-07-2016 when the said Hanumantharayya as per the instructions of respondent No.1 while proceeding in the Tractor towards the land of respondent No.1. At that time the said Hanumatharayya was sitting on the plough (Tiller) which was attached to the tractor, at about 8:15 AM when the driver of said tractor proceeding near land of Rajashekhar Hadanuru at that time a cattle came across in the road. Therefore the driver of the tractor lost control over the vehicle and he driven the same in rash and negligent manner thereby the said vehicle turtled, due to which the said Hanumatharayya sustained grievous injuries and succumbed in the spot. The said accident registered as Crime No.101/2016 at Yedrami Police Station for the offense punishable under section 279 and 304(A) of IPC. After investigation charge sheet was already filed against the driver of the said tractor. The said accident took place during the course of and out of Employment.

3. The deceased Hanumatharayya was 28 years old, at the time of accident and he was hale and healthy, he used to get Rs.14,000/- as salary under respondent No.1. The entire family was depending on the earnings of the said Hanumatharayya. Due to untimely death of said Hanumatharayya the petitioners lost their dependency, estate, love and affliction thereby they are suffering mentally and financially. The respondent No.1 is the owner and respondent No.2 is the insurer of the tractor bearing No.KA-36/TC-5016. At the time of accident the driver of the vehicle has possessed valid driving license and the vehicle was also duly insured. Therefore petitioners are constrained to file this petition and sought for compensation of Rs. 16,000,000/- from the respondents.

4. The respondent No.1 has filed objection she has admitted the relationship of employer and employee. She also admitted the incident. She disputed the quantum of salary. Further she stated that on the date of accident the vehicle was duly insured with respondent no.2.

Further the driver of the said vehicle has possessed valid driving license. Therefore she prays to fix the liability on the respondent No.2.

5. Respondent No.2 appeared and filed objections by denying the jural relationship of employer and employee between the deceased and Respondent No.1. He also denied the incident, disputed the age and income of the deceased Hanumatharayya S/o Sabayya @ Sabagouda. Further contended that the petition itself is not maintainable, the Respondent No.1 has violated the provisions of I.M.V. Act and also the conditions of the policy. The deceased Hanumatharayya S/o Sabayya @ Sabagouda was not at all worked as Coolie or cleaner under Respondent No.1. The compensation claimed is very exorbitant. When the Respondent No.1 has admitted the jural relationship she ought to have deposited the compensation within the prescribed time in the court, but she has not deposited the compensation. Therefore, Respondent No.2 is not liable to pay any

compensation to the petitioners. The petitioners have created the story without any sufficient materials. This Court has no jurisdiction to try the case. The petitioners are not the legal heirs of deceased Hanumatharayya S/o Sabayya @ Sabagouda. The driver of the tractor who was husband of respondent no.1 did not possessed valid DL on the date of accident. The death of Hanumatharayya S/o Sabayya @ Sabagouda is not under the employment of Respondent No.1. She has admitted that the said vehicle was insured with Respondent No.2 at the time of accident, but the Respondent No.1 violated the policy conditions by handing over the vehicle to the person who is not duly licensed. Therefore the Insurance Company is not liable to indemnify the Respondent No.1. The liability of Respondent No.2 is subject to the validity or legality of the D.L., R.C., permit of the vehicle and other conditions as mentioned in the policy subject

to the provisions of Motor Vehicles Act, therefore prays to dismiss the petition with costs.

6. On the basis of the above pleadings, my predecessor in office has framed the following Issues:

I S S U E S:

1. Whether the petitioners prove that, deceased Hanumantharaya S/o Sabayya @ Sabagouda died in an incident, which was taken place on 01.07.0016 at about 8:50 am., while he was proceeding in a plough (Tiller) which is attached to the Tractor bearing No.KA-36/TC-5016 driven by its driver in rash and negligent manner while deceased was died during the course of employment and out of employment of respondent No.1?
2. Whether the petitioners prove that, he was employee of respondent No.1 as on the date of alleged incident?
3. Whether the petitioners are entitled for compensation, if so at what extent and from whom?
4. Whether the respondent No.2 proves that, at the time of accident, the said vehicle was not having valid permit?

Additional Issue:

1. Whether petitioners proves the age and income of the deceased Hanumantharaya S/o Sabayya @ Sabagouda?

5. What order?

7. In order to prove the case, the petitioner No.1 is examined as PW-1 and she got marked 10 documents.

8. On the other hand, Respondent No.1 examined as RW-1 she got marked three documents, the legal Manger of Respondent No.2 examined as RW-2 got marked one document.

9. Heard the arguments and perused the materials on record.

10. My findings to the above issues are as follows;

11. Issue No.1 and 2 : Already answered as Affirmative by the Hon'ble High Court of Karnataka at Kalburgi Bench in MFA No.200146/2022 dated 22-09-2025

Issue No.3 : Answered as petitioners are entitled for compensation of Rs. 8,47,160/- with 12%

interest p.a., from the date of accident till full realization + Rs.15,000/- as funeral expenses from respondent No.2. Further petitioners are also entitled for Rs.84,716/- with 12% interest p.a, as penalty from the date of accident till to realization from respondent No.1.

Issue No.4 : In the Negative

Additional Issue No.1: Answered as age of deceased considered as 28 years and monthly income considered as Rs.8000/-.

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

-: R E A S O N S :-

12. Issues No.3, 4 and Additional Issue No.1 :

All the issues are connected to each other. Therefore they are taken together for discussion in order to avoid repetition of discussion.

13. When the Hon'ble High Court of Karnataka held that deceased Hanumatharayya S/o Sabayya @ Sabagouda was the employer of respondent no.1. Now the petitioners have to prove the age and income of the deceased. The petitioners have pleaded and deposed that, the deceased was aged about 28 years at the time of accident but they have not produced any authenticated documents in order to prove the age of deceased. The petitioners have produced Ex.P-1 which is FIR, Ex.P-3 charge sheet, Ex.P-4 inquest Panchanama, Ex.P-5 Spot Panchanama, Ex.P-6 PM report in all the documents the age of deceased Hanumatharayya S/o Sabayya @ Sabagouda mentioned as 28 years at the time of accident. In the absence of authenticated documents the age of the deceased considered as 28 years based on the above said documents.

14. The petitioners have produced the certified copies of FIR, Complaint, charge sheet, inquest Panchanama, Spot Panchanama, PM report and

MVI report which are marked as Ex.P.1 to 7 respectively. EX.P-8 to 10 are the Notarized copies of Aadhar cards of the petitioners, in all the documents it is clearly mentioned that the deceased Hanumantharaya S/o Sabayya @ Sabagouda was husband of petitioner No.1, father of petitioner No.2 and son of petitioner No.3 and 4. The said documents were not at all denied and disputed by the respondent No.2. Therefore it is held that the petitioners are the legal heirs and dependents of deceased Hanumatharayya S/o Sabayya @ Sabagouda.

15. In order to ascertain the compensation, the petitioners have to prove the monthly salary to considered the relevant factor. The Respondent No.1 has pleaded and deposed that she used pay Rs.7000/- salary to the deceased Hanumatharayya S/o Sabayya @ Sabagouda but as per the petitioners the deceased Hanumatharayya S/o Sabayya @ Sabagouda used to get salary of

Rs.14,000/- per month. Either the petitioners or the respondent No.1 have not produced any documents in order to prove the salary of the deceased Hanumatharayya S/o Sabayya @ Sabagouda. Therefore in the absence of any authenticated documents the version of the petitioners and respondent No.1 regarding the income of the deceased is not acceptable. Further it is pertinent to note that Employees Compensation Act has been amended on 18.01.2009 vide Act No.45/2009 thereby section 4 (1 B) has been introduced, as per the said section the Central Government was empowered to notify the monthly wages in relation to an employee. So, as per the official gazette notification dated 31.05.2010, the specified monthly wages has been fixed as Rs.8,000/- for the purpose of calculating the compensation in terms of section 4 (1) of the Act. Further, same

was revised to Rs.15,000/- with effect from 03.01.2020.

16. The question may arise for consideration that, whether monthly wages as notified in section 4 (1B) of the EC Act should be treated as minimum or maximum, the reason for raising such question arose in the context of increase in the minimum wages every year under Minimum Wages Act 1948, which was higher than the Monthly wages, notified in the above said section. In a decision of Hon'ble High Court of Karnataka in MFA No.8577/2017 between **Manglore Electricity Supply Company V/s Smt. Bellamma W/o Late. Chinnapagowda**, in para No.16 it is held that, the specified monthly wages has to be considered as maximum wages that can be considered per month. In view of the said judgment this court is of the view that the monthly wages of the deceased considered as Rs.8,000/-p.m. As per discussion in above paras

age of deceased considered as 28 years. As per schedule IV, 2nd column the relevant factor for a employee who is aged about 28 years is 211.79. Further, as per section 4 (1) (a) of EC Act, where death results from the injury an amount equal to 50% of wages of deceased has to be multiplied by relevant factor which gives the amount of compensation. So, for the purpose of calculating the compensation amount the monthly wages of injured will be Rs.8,000/- X 50% which comes to Rs.4,000/-.

17. The petitioners have sought for compensation of Rs.16,00,000/- from the date of accident till full realization. The Respondent No.1 pleaded and deposed that, his vehicle was duly insured with Respondent No.2 at the time of accident.

18. The Respondent No.2 has seriously disputed about the violation of policy conditions by the Respondent No.1 on the ground that the Respondent No.1 has handed over the vehicle to

the person who had not possessed valid and effective D.L.

19. In order to prove the contention of Respondent No.2, the Legal Manager examined as RW-2 and he has produced the insurance policy copy. In the cross-examination he has admitted that the driver of the tractor possessed DL at the time of accident and the vehicle was the duly insured in their company. He also admitted that by confirming the RC they used to issue the insurance policy to every vehicle. In the Ex.R-4 they have collected Rs.100/- additional premium for the coverage of paid driver, conductor / cleaner. Further the concerned police after thorough investigation has filed the charge sheet against the driver of vehicle only for offence punishable under section 279 and 304(a) of IPC and also under section 187 of IMV Act. There is no offences or provisions mentioned in the charge sheet regarding violation of the policy

condition or DL and permit conditions. As per Ex.R-3 the driver of the tractor has possessed the valid driving license. Therefore when there is no offences regarding violation of DL and permit condition, the contention of respondent No.2 regarding violation of policy condition are not acceptable. Further as per the Ex.R-4 the insurance policy of the tractor bearing No.KA-36/TC-5016 is valid from 15-05-2016 to 14-05-2017 and the accident took place on 01-07-2016. Therefore there is valid coverage of the insurance policy.

20. As per the discussion in above paras the income of deceased Hanumatharayya S/o Sabayya @ Sabagouda is income considered as Rs.4000/-. The relevant factor is 211.79 as per section 4 (1) (a) of EC Act. So, compensation payable as per section 4 (1) (b) of EC Act is Rs.4,000/- X 211.79 which comes to Rs.8,47,160/-. Further, in the judgment of Hon'ble Supreme Court

reported in **(2020) 4 SCC 594 between K.Shivaram and others V/s P. Satishkumar and others.** It is held that as per section 4 (A) of the EC Act 1923 the obligation to pay the compensation arises as on the date of accident and interest payable is 12% p.a on the compensation amount. As per the said ratio it is just and necessary to award interest at 12% p.a on compensation from the date of accident till realization. Therefore, petitioners are entitled for the interest on the compensation amount of Rs.8,47,160/-from the date of accident at the rate of 12% till full realization. As per the judgment of Hon'ble Supreme Court in Pranaya Sethi case, the petitioners are also entitled for an amount of Rs.15,000/- towards funeral expenses, even though, the petitioners have not produced any documents to prove the funeral expenses.

21. As per discussion on the above points this tribunal is of the view that respondent No.1 is the owner and respondent No.2 is the insurer of the vehicle, so they are jointly and severally liable to pay compensation to the petitioners. Respondent No.2 is the insurer of the vehicle. So he is liable to pay the entire compensation and indemnify to the Respondent No.1. Therefore, Respondent No.2 is to pay the compensation of Rs.8,47,160/- to the petitioners along with interest at the rate of 12% p.a.

22. As per sec. 4 A (1) the Compensation shall be paid as soon as it falls due and as per Sub section (2) in case where the employer does not accept the liability for the compensation to the extent claimed, he shall be bound to make provisional payment based on the extent of liability which he accepts, and such payment shall be deposited with the Commissioner or made to the employee as the case may be without

prejudice to right of the employee to make any further claim.

23. As per Sub-section (3) (a) where an employer is in default in paying the compensation due under this Act within one month from the date it fell due, the Commissioner shall direct the employer in addition to the amount of the arrears, pay simple interest thereon at the rate of 12% p.a or at such higher rate not exceeding the maximum of lending rates of any scheduled Bank as may be specified by the Central Government on the amount due.

24. As per clause (b) if in the opinion of the Commissioner there is no justification of the delay, direct that the employer shall, in addition to the amount of the arrears and interest thereon pay a further sum not exceeding 50% of such amount by way of penalty. Provided that an order for payment of penalty shall not be passed under clause (b) without giving reasonable

opportunities to the employer to show cause why it should not be passed.

25. Looking to the facts and circumstances of the case, it is appropriate to impose minimum penalty. Therefore, it is appropriate to impose 10% penalty on the sum of Rs.8,47,160/-. So the respondent No.1 is liable to pay to Rs.84,716/-as a penalty with the interest at the rate of 12% p.a. from the date of accident to till full realization.

26. APPORTIONMENT: The petitioner No.1 is the mother and minor guardian of petitioner No.2, the petitioner No.3 and 4 are the old age mother and father of deceased Hanumatharayya S/o Sabayya @ Sabagouda. Looking to the age of petitioner No.3 and 4, it is appropriate to award 10% each share to them. The petitioner No.1 has to take care of minor petitioner No.2, so the petitioner No.1 is entitled for 40% share of the award amount and the petitioner No.2 is entitled for 40%. Having regard to the age of the

petitioner No.3 & 4 it is just and necessary to release the entire share of petitioner No.3 & 4. Further, petitioner No.1 has to bear the education and day today expenses of the minor petitioner No.2, therefore it is appropriate to release her entire share amount.

27. The petitioner No.2 is just aged about 4 years in the year 2017 that means in the year 2026 he must be aged about 13 years, so in order to safe guard his interest it is appropriate to deposit the entire share of petitioner No.2 in any of the nationalized Bank, till he attained age of majority. Therefore Issue No.3 answered as petitioners are entitled for compensation of Rs. 8,47,160/- with 12% interest p.a., from the date of accident till full realization + Rs.15,000/- as funeral expenses from respondent No.2. Further petitioners are also entitled for Rs.84,716/- with 12% interest p.a., as penalty from the date of accident till to realization from respondent No.1.

Additional Issue answered as the age of deceased considered as 28 years and monthly income considered as Rs.8000/-. Issue No.4 answered as Negative.

28. Issue No.5: As per discussion and finding on above issues, I proceed to pass the following:

:ORDER:

The petition filed by the petitioners U/s 22 of EC Act is allowed in part with cost.

The petitioners together are entitled to receive the compensation of Rs.8,47,160/- along with interest at 12 % p.a from the date of accident till its full realization in the ratio of 40:40:10:10.

It is also ordered that petitioners are entitled for Rs.15,000/- (Fifteen thousand) towards funeral expenses.

Respondent No.1 and 2 are jointly and severally liable to pay the compensation. Respondent No.2 who is the insurer is directed to deposit

the entire compensation along with accrued interest within a period of 60 days from the date of this order.

Further petitioners are entitled for Rs.84,716/- along with 12% interest p.a from the date of accident till its full realization from respondent No.1 as a penalty within a period of 60 days from the date of this order.

After deposit of the compensation amount entire share of petitioner No.2 has to be deposited in any of the nationalized Bank or scheduled Bank of their choice, until he attained age of majority.

If they have not instructed their choice within 15 days from the date of deposit the said amount has to be kept in fixed deposit in any of the nationalized bank or scheduled bank by the office to avoid the loss of interest to the parties.

The entire share of petitioner No.1, 3 & 4 has to be released in their favour.

It is directed to the petitioners to deposit the necessary Court fee in accordance with law.

Advocates fee is fixed at Rs.1,000/-.

Draw award accordingly.

(Dictated to the Stenographer directly on Computer, corrected and then pronounced by me in the open court, this the 29th day of June-2026)

Sd/-

(Shankarappa Malshetti)
Addl. Senior Civil Judge & JMFC-I &
Commissioner for Employees Compensation,
Raichur.

-: ANNEXURE :-

List of witnesses examined by the petitioners:

PW1 : Smt. Shivamma W/o Hanumantharaya

List of documents marked by the petitioner:

Ex.P.1 : Certified copy of FIR
Ex.P.2 : Certified copy of complaint
Ex.P.3 : Certified copy of Charge sheet

- Ex.P.4 : Certified copy of Inquest
Panchanama
Ex.P.5 : Certified copy of Spot
Panchanama
Ex.P.6 : Certified copy of Post-Mortan
report
Ex.P.7 : Certified copy of IMV report
Ex.P-8 to 10: Notarized copy of Aadhar
cards.

List of witnesses examined by the respondents:

- RW-1 : B.Nagalaxmi W/o Ramakrishna
RW-2 : Amarnath D.V. S/o Veerabjadrappa.

List of documents marked by the respondents:

- Ex.R-1 : Notarized copy of DL.
Ex.R-2 : Notarized copy of RC
Ex.R-3 : Extract of Driving Licence
Ex.R-4 : Insurance policy

Sd/-

**Addl. Senior Civil Judge &
JMFC-I & Commissioner for Employees
Compensation, Raichur.**