

IN THE HIGH COURT OF KARNATAKA, AT DHARWAD

DATED THIS THE 27th FEBRUARY, 2026

PRESENT

THE HON'BLE MR. JUSTICE M.I.ARUN

AND

THE HON'BLE MR. JUSTICE B. MURALIDHARA PAI

MFA NO. 101212 OF 2022 (MV-D)

BETWEEN:

THE LEGAL CLAIMS MANAGER,
RELIANCE GENERAL INSURANCE COMPANY LIMITED,
V.A. KALBURGI SQUARE, DESAI CROSS,
DESHPANDE NAGAR, HUBBALLI-580 029
(INSURER OF LORRY BEARING REG. NO.KA-30/A-2098)
POLICY NO.1121828840000760
VALID FROM 24.11.2018 TO 23.11.2019
REPRESENTED BY ITS AUTHORIZED SIGNATORY.

... APPELLANT

(BY SRI G.N. RAICHUR, ADVOCATE FOR
SRI A.S. DESAI, ADVOCATE APPEARED THROUGH VC)

AND:

1. SMT. SAVITHABAI W/O KRISHNA NAIK,
AGE. 41 YEARS, OCC. HOUSEHOLD WORK,
R/O. 2ND CROSS, KORAMARA STREET,
GOPALA SHIMOGA, DIST. SHIMOGA-577 203,
NOW @ GANGAJAL TANDA, RANEBENNUR,
DIST. HAVERI-581 115.
2. SRI KRISHNA NAIK S/O RAMA NAIK,
AGE. 48 YEARS, OCC. NIL,
R/O. 2ND CROSS, KORAMARA STREET,
GOPALA SHIMOGA, DIST. SHIMOGA-577 203,
NOW @ GANGAJAL TANDA, RANEBENNUR,
DIST. HAVERI-581 115.
3. KUM. SHARATH S/O. KRISHNA NAIK,
AGE. 25 YEARS, OCC. NIL,



R/O. 2ND CROSS, KORAMARA STREET,
GOPALA SHIMOGA, DIST. SHIMOGA-577 203,
NOW @ GANGAJAL TANDA, RANEBENNUR,
DIST. HAVERI-581 115.

4. SRI GANAPATHI NARAYAN NAYAK
S/O. NARAYAN NAIK, AGE. MAJOR,
OCC. BUSINESS, R/O. NEAR PRIMARY
SCHOOL, SUNKSAL ANKOLA-581 314
(OWNER OF LORRY BEARING REG. NO.KA-30/A-2098).
... RESPONDENTS

(BY SRI G.N. NARASAMMANAVAR, ADVOCATE FOR R1 TO R3;
NOTICE ISSUED TO R4 IS SERVED BUT UNREPRESENTED)

THIS MFA IS FILED UNDER SECTION 173(1) OF MOTOR VEHICLES ACT, 1988, PRAYING TO CALL FOR THE RECORDS AND HEAR THE PARTIES AND MODIFY THE JUDGMENT AND AWARD DATED 15.11.2021 PASSED IN M.V.C. NO.607/2019 ON THE FILE OF THE III ADDITIONAL SENIOR CIVIL JUDGE AND ADDITIONAL MOTOR ACCIDENT CLAIMS TRIBUNAL, RANEBENNUR, BY REDUCING THE COMPENSATION AWARDED BY THE TRIBUNAL BY ACCEPTING THE GROUNDS MADE OUT IN THE GROUNDS OF APPEAL BY ALLOWING THIS APPEAL WITH COST IN THE ENDS OF JUSTICE AND EQUITY AND ETC.

THIS APPEAL IS COMING ON PRONOUNCEMENT AND THE SAME HAVING BEEN HEARD AND RESERVED FOR JUDGMENT ON 11.02.2026, THIS DAY, B. MURALIDHARA PAI J., MADE THE FOLLOWING:

CORAM: THE HON'BLE MR. JUSTICE M.I.ARUN
AND
THE HON'BLE MR. JUSTICE B. MURALIDHARA PAI

CAV JUDGMENT

(PER: THE HON'BLE MR. JUSTICE B. MURALIDHARA PAI)

1. This is an appeal filed by the Reliance Insurance Company Limited, who is the insurer of lorry bearing No.KA-30-A-2098, challenging the judgment and award passed in MVC No.607/2019 on the file of III Additional Senior Civil Judge and MACT, Ranebennur (for short, 'the Tribunal').

2. The parents and the younger brother of deceased Sri Bharat Naik K., maintained the petition in MVC No.607/2019 under Section 166 of the Motor Vehicles Act seeking compensation of Rs.40,00,000/- from the owner and insurer of the lorry bearing No.KA-30-A-2098 for the death of Sri Bharat Naik K., on account of a road traffic accident occurred on 27.01.2019, on the ground that the driver of the lorry was responsible for the said accident.

3. On service of the notice, both the owner and insurer of the lorry appeared before the Tribunal through counsel, filed their objection and contested the petition. The Tribunal held inquiry in the matter and decided the claim petition on merits of the case. On appreciation of the materials on record, the Tribunal held that the driver of the lorry was responsible for the accident

and allowed the claim petition in part holding that the claimants are entitled to compensation of Rs.23,87,645/- together with interest at the rate of 9% per annum from the date of petition till its realization. The Tribunal, further held that Respondent No.2 being the insurer of the offending vehicle, liable to pay the compensation amount as determined by it.

4. The Claimants accepted the said award and preferred no appeal against the impugned judgment and award.

5. Sri G.N.Raichur, learned Counsel appearing for the Insurer, vehemently contended that the Tribunal erred in attributing total negligence to the lorry driver. He pointed out that the complaint itself reveals the deceased's motorcycle dashed against the lorry's rear, indicating contributory negligence. Specifically, while attempting to overtake the lorry from the left, the deceased collided with its hind portion, sustaining injuries. Thus, he urged apportioning equal negligence to both the deceased and the lorry driver. He further submitted that the Tribunal erred in holding the claimants as dependents of the deceased, applying a straight-jacket formula to compute compensation, and awarding interest at an excessive rate. In these circumstances, he prayed for modification of the impugned

judgment and substantial reduction in the awarded compensation.

6. Per Contra, Sri G.N. Narasammanavar, learned Counsel for the Claimants, supported the Tribunal's findings on both negligence and compensation.

7. We have heard the learned Counsels at length. Based on the grounds urged, the following points arise for this Court's consideration:

(i) Whether the deceased has contributed for the accident and if so, to what extent?

(ii) Whether the compensation awarded by the Tribunal is excessive?

Point No.(i)

8. The Insurer's primary contention is that the deceased equally contributed to the accident by overtaking the lorry from the left, colliding with its rear and sustaining injuries. Per contra, the Claimants aver that on 27.01.2019, while the deceased rode motorcycle No.KA-14-L-1499 from Alkol Circle towards Gopala for personal work, at around 7:30 p.m., near Med-Plus Shop on Gopala 100 Feet Road, lorry No.KA-38-A-2098 approached rashly

and negligently from behind. As its driver lost control over the vehicle and suddenly swerved left, the rear wheel struck the deceased, causing the accident.

9. The claimants have produced relevant police papers before the Tribunal. Those papers go to show that upon investigation of the case registered in connection with the accident, they filed a charge-sheet against the lorry driver under Sections 279, 337, and 304A IPC. These documents carry presumptive value and may be relied upon. Notably, the Respondents adduced no evidence to rebut such presumption or to probabalise their version including alleged contributory negligence on the part of the deceased. In these circumstances, no grounds exist to interfere with the Tribunal's finding of sole negligence against the lorry driver. Hence, Point No.(i) is answered in the negative.

Point No.(ii):

10. The other aspect for consideration of this Court is whether the compensation awarded by the Tribunal is just or excessive. The Tribunal awarded the claimants a total compensation of Rs.23,67,645/- under the following heads:

Sl.No.	Heads	Amount (in Rs.)
1.	Towards loss of dependency	20,03,400.00
2.	Towards funeral and transportation expenses	16,500.00
3.	Towards loss of consortium	88,000.00
4.	Towards loss to estate	16,500.00
5.	Towards medical expenses	2,63,245.00
	Total	23,87,645.00

11. The case of the claimants that the deceased was 19 years old at the time of accident and he was earning Rs.25,000/- monthly by working under an electrical contractor. The Tribunal, relying on the post-mortem report (Ex. P3), accepted the age of the deceased as 19 years and applied a multiplier of 18, following guidelines in **Sarla Verma's Case** reported in **(2009) 6 SCC 121**.

12. Though the Claimants contended that the deceased was earning monthly income of Rs.25,000/-, they produced no proof. The Tribunal thus adopted Rs.13,250/- as notional income following the chart of the Karnataka State Legal Services Authority, for the settlement of the cases before the Lok Adalat. Further, following the decision in **Pranay Sethi's Case**, reported in **(2017) 16 SCC 680**, it added 40% of the said amount towards future prospects of the deceased and arrived at gross

income of the deceased as Rs. 18,550/- (i.e, Rs.13,250/- plus Rs.5,300/-). The Tribunal deducted 50% of the gross income towards personal expenses of the deceased as he was bachelor. Thus, the Tribunal computed loss of dependency as Rs.20,03,400/- (i.e, Rs.9,275/- (i.e, 50% of Rs.18,550/-) X 12 X 18. No error is discernible in this calculation based on the record.

13. The Tribunal awarded Rs.16,500/- for funeral/transport expenses, Rs.88,000/- for loss of consortium, Rs.16,500/- for loss of estate, and Rs.2,63,245/- for medical expenses. The Insurer demonstrated no excessiveness even in the compensation awarded under these heads. Hence, same are not disturbed.

14. The Insurer challenges award of 9% p.a. interest as excessive. Admittedly, no statutory rate exists under the MV Act and it lies in the discretion of the Tribunal. Given the 2019 accident and prevailing practice of awarding interest at the rate of between 6% to 9% p.a. as well as in the absence of compelling factors to award interest at a higher rate, it is held that awarding of interest at the rate of 6% p.a., is just and reasonable.

ORDER

- i) The appeal is allowed in part.
- ii) The judgment and award dated 15.11.2021 passed in MVC No.607/2019 by learned III Additional Senior Civil Judge and MACT, Ranebennur is modified only to the extent of reducing the rate of interest awarded by the Tribunal on the award amount from 9% per annum to 6% per annum.
- iii) Office is directed to transmit the amount deposited before this Court, if any, to concerned Tribunal along with trial court record, forthwith.
- iv) Draw a modified award accordingly.

**Sd/-
(M.I.ARUN)
JUDGE**

**Sd/-
(B. MURALIDHARA PAI)
JUDGE**