

IN THE HIGH COURT OF KARNATAKA, AT DHARWAD

DATED THIS THE 27TH DAY OF FEBRUARY, 2026

PRESENT

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

AND

THE HON'BLE MR. JUSTICE B. MURALIDHARA PAI

MFA NO. 104796 OF 2024 (MV-D)

C/W

MFA NO.102355 OF 2024 (MV)

IN MFA NO.104796 OF 2024:

BETWEEN:

THE DIVISIONAL MANAGER,
HDFC ERGO GENERAL INSURANCE CO. LTD.,
OFFICE AT: 1ST FLOOR, HDFC HOUSE,
165/166, BACKBAY RECLAMATION,
HT PAREKH MARG, MUMBAI-400 020.

... APPELLANT

(BY SRI MADHUKESHWAR DESHPANDE, ADVOCATE)

AND:

1. SMT. RADHA W/O LATE PRABHAKARA
@ K. PRABHAKARA @ K PRABHUDAS,
AGE: 43 YEARS, OCC. HOUSE WIFE,
R/O. H.NO. 112, WARD NO.19,
DURGA COLONY, 2ND CROSS,
PATEL NAGAR, BALLARI-583 101.
2. PRASHANT KUMAR K. S/O LATE PRABHAKARA
@ K. PRABHAKARA @ K. PRABHUDAS,
AGE. 29 YEARS, OCC. STUDENT,
R/O. H.NO. 112, WARD NO. 19,
DURGA COLONY, 2ND CROSS, PATEL NAGAR,
BALLARI-583 101.
3. REVATHI K.P. D/O LATE PRABHAKARA
@ K. PRABHAKARA @ K. PRABHUDAS,



AGE. 27 YEARS, OCC. STUDENT,
R/O. H.NO. 112, WARD NO.19,
DURGA COLONY, 2ND CROSS,
PATEL NAGAR, BALLARI-583 101.

4. CHENNAVEERAKKA K.
W/O LATE K. KRISHNA MURTHY,
AGE. 68 YEARS, OCC. HOUSE WIFE,
R/O. H.NO. 112, WARD NO.19,
DURGA COLONY, 2ND CROSS,
PATEL NAGAR, BALLARI-583 101.
5. M. HONNUR VALI @ MALGI HONNUR VALI
S/O M. REHAMAN SAB @ REHAMAN SAB,
AGE. 42 YEARS, OCC. OWNER CUM DRIVER,
R/O. #577 THUMBARAGUDDI POST,
BOMMAGATTA, SANDURU TALUK, BALLARI.

... RESPONDENTS

(BY SRI MANJUNATH JADAI, ADVOCATE FOR R1 TO R4;
NOTICE TO R5 IS SERVED)

THIS MFA IS FILED UNDER SECTION 173(1) OF MOTOR VEHICLES ACT, 1988, PRAYING TO CALL THE RECORDS, HEAR THE PARTIES, AND ALLOW THE APPEAL AS PRAYED FOR BY SETTING ASIDE THE IMPUGNED JUDGMENT AND AWARD DATED 22.04.2024 PASSED IN MVC NO.186/2020 ON THE FILE OF THE MOTOR ACCIDENT CLAIMS TRIBUNAL-XI AND II ADDITIONAL SENIOR CIVIL JUDGE, BALLARI, WITH COST IN THE INTEREST OF JUSTICE AND EQUITY AND ETC.

IN MFA NO.102355 OF 2024:
BETWEEN:

1. SMT. RADHA W/O LATE PRABHAKARA
@ K. PRABHAKARA @ K. PRABHUDAS,
AGE. 43 YEARS, OCC. HOUSE WIFE,
2. PRASHANTH KUMAR K.
S/O LATE PRABHAKARA
@ K. PRABHAKARA @ K. PRABHUDAS,
AGE. 28 YEARS, OCC. STUDENT,

3. REVATHI K.P. D/O LATE PRABHAKARA
@ K. PRABHAKARA @ K. PRABHUDAS,
AGE. 26 YEARS, OCC. STUDENT,

4. CHENNAVEERAKKA
W/O LATE K. KRISHNA MURTHY,
AGE. 67 YEARS, HOUSE WIFE,

ALL ARE R/O. H.NO.112, W.NO.19,
DURGA COLONY, 2ND CROSS,
PATEL NAGAR, BALLARI-583 101.

... APPELLANTS

(BY SRI MANJUNATH JADAI, ADVOCATE)

AND:

1. M. HONNUR VALI @ MALGI HONNUR VALI
S/O M. REHAMAN SAB @ REHAMAN SAB,
AGE. 41 YEARS, OCC. DRIVER CUM OWNER
OF THE TIPPER LORRY BEARING NO.KA-35/C-3007,
R/O. #577, THUMBARAGUDDI POST,
BOMMAGATTA, SANDUR TALUK,
BALLARI DISTRICT-583 119.

2. THE DIVISIONAL MANAGER,
HDFC GENERAL INSURANCE CO. LTD.,
OFFICE AT 1ST FLOOR, HDFC HOUSE,
165/166 BACKBAY, RECLAMATION,
HT PAREKH MARG, MUMBAI-400 020.

... RESPONDENTS

(NOTICE TO R1 AND R2 IS SERVED)

THIS MFA IS FILED UNDER SECTION 173(1) OF MOTOR VEHICLES ACT, 1988, PRAYING TO MODIFY THE JUDGMENT AND AWARD DATED 22.04.2024 PASSED IN MVC NO.186/2020 ON THE FILE OF THE II ADDL. SENIOR CIVIL JUDGE AND MEMBER AND MOTOR ACCIDENT CLAIM TRIBUNAL-XI AT BALLARI AND ENHANCE THE COMPENSATION BY ALLOWING THE APPEAL TO MEET THE JUSTICE AND EQUITY AND ETC.

THESE APPEALS ARE COMING ON PRONOUNCEMENT AND THE SAME HAVING BEEN HEARD AND RESERVED FOR

JUDGMENT ON 21.02.2026, THIS DAY, **B. MURALIDHARA PAI J.**, DELIVERE 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)

The Claimants and Respondent No.2 in MVC No.186/2020 on the file of learned II Additional Senior Civil Judge and XI MACT, Ballari have maintained the appeals in MFA Nos.102355/2024 and 104796/2024 respectively, being aggrieved by the judgment and award dated 22.04.2024 passed therein.

2. The claimants in MVC No.186/2020 are the wife, children and mother of deceased Sri Prabhakar @ K. Prabhakara @ K. Prabhudas. On 07.09.2019 at about 06.45 p.m., deceased was standing by the side of the road near Ishwara Temple in Yashwanthnagar Village on Kudligi – Sanduru Road along with a motorcycle bearing No.KA-05-EK-9708. At that time, a tipper lorry bearing No.KA-35-C-3007 came from Sanduru side in rash and negligent manner and dashed against the deceased and his motorcycle. As a result, the deceased suffered fatal injuries and

died on the spot. In the said circumstances, the legal representatives of the deceased maintained the claim petition in MVC No.186/2020 under Section 166 of Motor Vehicles Act, seeking compensation of Rs.48,00,000/- from the owner and insurer of the offending vehicle.

3. On service of notice, the insurer appeared before the Tribunal through their counsel, filed the objection and contested the petition. The Tribunal after holding inquiry disposed of the petition on merits of the case. The Tribunal, based on the materials available on record attributed negligence for the accident to the driver of tipper lorry and considering the relevant factors allowed the claim petition in part. The Tribunal awarded a sum of Rs.22,76,896/- to the claimants by way of compensation together with interest at the rate of 6% p.a.

4. The claimants have directed the appeal against impugned award on the ground that the Tribunal has failed to appreciate their claim properly and to award a just compensation to them on various heads. Whereas, the insurer has challenged the impugned award mainly on the ground that the driver of the lorry was not holding a valid driving license as on the date of

accident and in spite of their specifically plea in this regard, the Tribunal fastened the liability of satisfying the award on them.

5. During the course of argument, Sri Manjunath Jadai, learned Counsel for Claimants and Sri Madhukeshwar Deshpande, learned Counsel for Insurer have canvassed arguments reiterating the grounds urged in the appeal memos and sought for an order accordingly.

6. The core issues which arise for the consideration of this Court are as under:

- (i) Whether the claimants have made out valid ground to enhance the compensation awarded by the Tribunal?
- (ii) Whether the Tribunal justified in saddling the insurer with the liability of satisfying the award?

Point Nos.(i) and (ii) :

7. The Tribunal, in the impugned judgment, held that the claimants had established that the deceased met his demise in a fatal road traffic accident on 07.09.2019 at approximately 6.45 p.m. near Ishwara Temple, Yashwanthnagar Village, on the Kudligi-Sanduru Road. It further concluded that the accident occurred due to the rash and negligent driving of the tipper lorry

bearing registration No.KA-35-C-3007, which resulted in the instantaneous death of the deceased. The insurer has not challenged the correctness of these findings.

8. The Tribunal awarded a total compensation of Rs.22,76,896/- to the claimants, under the following heads:

Sl. No.	Heads	Amount (in Rs.)
1.	Loss of Dependency	20,86,896.00
2.	Transportation and Funeral Expenses	15,000.00
3.	Loss of Estate	15,000.00
4.	Loss of spousal, parental and filial consortium	1,60,000.00
	Total :	22,76,896.00

9. The claimants seek enhancement of the compensation awarded by the Tribunal, contending that it failed to grant just compensation under various heads and did not properly appreciate their claims or the materials placed on record in support thereof. They mainly contended that the deceased was earning Rs.50,000/- per month by doing a mining transport business but the Tribunal deciding loss of dependency based on notional income and thereby the compensation awarded under the head of Loss of Dependency is meager and erroneous.

10. The case of the claimants is that the deceased was doing mining transport business and milk vending business and he was earning income of Rs.6,00,000/- per annum. During her evidence as PW-1, Claimant No.1 reiterated the averments of the claim petition regarding the avocation and income of the deceased. However, she did not adduce any documentary evidence before the Tribunal to support their contention.

11. Afterwards, the claimants examined Claimant No.4 as PW-2 in the case. She is the mother of the deceased. In her evidence PW-2 claimed that the deceased was doing mining transport business as proprietor of M/s Chandri Traders by obtaining her Power of Attorney and that he was also doing milk vending business. She further stated that the deceased was earning Rs.6,00,000/- per annum and used to contribute all his earnings for the welfare of the family. The claimants got marked few more documents through PW-2 as Ex.P-16 to P-20.

12. Ex.P15 is a Certificate of Registration issued to M/s Chandri Traders, a proprietorship concern of Smt. K. Chennaveerkka, Claimant No.4/PW-2. Ex.P16 to P20 comprise acknowledgments for Income Tax Returns filed by PW-2 for Assessment Years 2015-16 to 2019-20 along with copies of the

corresponding Income Statements submitted to the Income Tax Department. These documents explicitly pertain to PW-2's personal avocation and income, with no nexus to the deceased. For foregoing reasons, Ex.P15 to P20 remain wholly irrelevant and they establish no nexus to the deceased's avocation or income.

13. As noted earlier, PW-2 testified that the deceased managed M/s Chandri Traders as proprietor under a Power of Attorney from her. Even accepting this version, it at best establishes that the deceased merely assisted PW-2 in her business and received some share of profits there from, not that he was the sole proprietor with independent earnings. Further, Ex.P16 to P20 reveal PW-2's gross total income ranged from Rs.2,23,081/- to Rs.3,84,276/- across Assessment Years 2015-16 to 2019-20, far below the claimants' alleged figure for the deceased. In the absence of any cogent evidence to prove the deceased's actual income at the relevant time, the Tribunal rightly adopted the Karnataka State Legal Services Authority (KSLSA) chart, used for Lok Adalat settlements, and notionally fixed it at Rs.13,250 per month. This Court finds no perversity or illegality in the Tribunal's approach, which stands affirmed.

14. The impugned judgment and award reveals that the Tribunal, guided by **Pranay Sethi's Case**, reported in **(2017) 16 SCC 680**, enhanced the deceased's notional income (aged about 43 years) by 25% for future prospects to compute gross income. The deceased left behind his wife, two children, and mother. Accordingly, invoking **Sarla Verma's Case**, reported in **(2009) 6 SCC 121**, the Tribunal deducted 1/4th of the gross income for personal expenses. This yielded a loss of dependency of Rs.20,86,896/- i.e., monthly net income of Rs.12,422/- [Rs.16,562/- (Rs.13,250/- + Rs.3,312/-) minus Rs.4,140/-] $\times$ 12 $\times$ 14 . In the absence of any material disclosing error in this computation, the Tribunal's quantification stands retained.

15. The Tribunal awarded a sum of Rs.1,60,000/- under the head of consortium and Rs.15,000/- each under the head of funeral expenses and loss of estate. The compensation awarded by the Tribunal under these conventional heads is as per the decision in **Pranay Sethi's** case (referred supra). As such, this Court does not find any valid reason to interfere with the impugned judgment and award.

16. The insurer's sole grievance is that despite its specific plea that the lorry driver lacked a valid and effective driving

license on the date of the accident as it had expired on 27.05.2019, and despite adducing sufficient evidence to substantiate this by examining the concerned RTO as RW-1, the Tribunal misconstrued the judgment of the Hon'ble Apex Court in **Mukund Dewangan Vs Oriental Insurance Co. Ltd.**, reported in **(2017) 14 SCC 663** and saddled it with the liability to satisfy the award.

17. **National Insurance Co. Ltd. Vs Swaran Singh's** case reported in **(2004) 3 SCC 297** is the landmark ruling of Hon'ble Apex Court on insurer's liability for invalid driving licenses under Section 149(2) of the Motor Vehicles Act, 1988. It holds that mere absence, expiry, or invalidity of a driving license does not absolve the insurer from paying third-party claimants. The said legal position has been reiterated by Hon'ble Apex Court in its series of decisions including in Rama Bai Vs M/s Amit Minerals through Incharge Officer/ Competent Officer and another [Civil Appeal No.9669 of 2025 DD 24.09.2025].

18. This is a case of third party claim. As such, the insurer remains liable to pay compensation to the claimants even if the driver's license had expired at the time of the accident. The insurer must first satisfy the award and can then seek

recovery of the same from the vehicle owner or insured only on proved willful breach by insured i.e, owner's knowledge of expired driving license. The materials on record indicate lack of sufficient pleading and proof in this regard. For the foregoing reasons, Point No.(i) is answered in the negative and Point No.(ii) is answered in the affirmative.

19. In the result, this Court proceeds to pass the following:

ORDER

- (i) The appeals are **dismissed**.
- (ii) Consequently, judgment and award dated 22.04.2004 passed in MVC No.186/2020 by learned II Additional Senior Civil Judge and MACT-XI, Ballari is confirmed.
- (iii) The amount deposited before this Court, if any, and the trial court record be transmitted to the Tribunal, forthwith.

Sd/-
(M.I.ARUN)
JUDGE

Sd/-
(B. MURALIDHARA PAI)
JUDGE