IN THE HIGH COURT OF MADHYA PRADESH

AT INDORE

BEFORE

HON'BLE SHRI JUSTICE JAI KUMAR PILLAI

MISCELLANEOUS APPEAL No.1566 of 2023

SMT. RESHMA BEGUM WD/O LATE SHRI SHAMSHUDDIN AND OTHERS

Versus

ZAFAR ALI S/O SHRI MOHD. HAARIS AND ANOTHER

Appearance:

Shri Gautam Gupta – Advocate for the appellants.

None for the respondent No.1.

Shri Akshansh Mehra – Advocate for the respondent No.2/Insurance Company.

Reserved on : 19/08/2026

Post on : 10/09/2026

O R D E R

This is an appeal filed by the claimants under Section 173(1) of the Motor Vehicles Act, 1988, seeking enhancement of the compensation awarded by the Motor Accident Claims Tribunal. The present appeal is directed against the impugned award dated 17.11.2022 passed by the 11th Additional Member, M.A.C.T., Indore, in a claim petition filed under Section 166 read with Section 140 of the Motor Vehicles Act, 1988.

2. By the impugned award, the learned Tribunal has granted a total compensation of Rs.77,40,000/- (Rupees Seventy-Seven Lakhs Forty Thousand only) in favour of the claimants. Dissatisfied with the quantum of compensation, the appellants have preferred this appeal seeking a further enhancement of Rs.7,00,000/- and a modification of the interest rate to 9% per annum. The principal grounds raised in the appeal pertain to the erroneous assessment of the deceased's monthly income, inadequate consideration of future prospects, and the lower rate of interest awarded by the Tribunal.

FACTS IN BRIEF

3. The facts leading to the present appeal, as pleaded in the claim petition, are that on 10.02.2019, the deceased, Shamsuddin, was riding his motorcycle from Betma towards his residence at the BSF Campus, Bijasan Road, Indore. He was driving on the correct side of the road at a moderate speed and in compliance with traffic rules.

4. When he reached Airport Road, Navada Panth, in front of the farm of Uday Pratap Rao Khutal, the offending vehicle, an Eicher bearing registration number MH-18-BG-5476, which was being driven by its driver in a fast, rash, and reckless manner, rammed into the motorcycle of the deceased. Due to the severe impact, Shamsuddin fell and sustained grievous injuries to his head, hands, legs, and other parts of his body, leading to profuse bleeding.

5. The incident was witnessed by the deceased's maternal uncle's sons, Murad Khan and Latif Khan, who were following him on another motorcycle. They immediately picked him up and transported him to the BSF. From there, he was rushed in an ambulance to the District Hospital, where the Attending Doctors declared him dead. A post-mortem examination was conducted, confirming that the death was a direct result of the injuries sustained in the motor accident. An FIR was concurrently registered at the Chandan Nagar Police Station concerning the said accident.

6. The deceased was a skilled employee working with the Border Security Force (BSF) and left behind dependants comprising his widow, two minor children, and aged parents. The claimants subsequently filed the claim petition seeking compensation for the untimely demise of the sole earning member of their family. After evaluating the pleadings and the evidence led by the parties, the learned Tribunal passed the impugned award for a sum of Rs.77,40,000/-.

CONTENTIONS OF APPELLANTS

7. Learned counsel for the appellants submits that the impugned award of Rs.77,40,000/- is on the lower side and is liable to be enhanced. The submissions of the appellants are categorized as follows:

8. Learned counsel for the appellants submits that the learned Tribunal grossly erred in not considering the income of the deceased as Rs.42,511/- per month. It is contended that the deceased was a skilled BSF employee who used to earn Rs.6,24,684/- per annum and the Tribunal failed to properly appreciate this factual matrix, thereby resulting in a lower award.

9. Learned counsel for the appellants submits that the learned Tribunal grossly erred in not properly considering that the deceased was the sole earning member of the family, leaving behind two minor children and old age parents to be taken care of.

10. Learned counsel for the appellants submits that the learned Tribunal grossly erred in not properly considering the prospects of the future income of the deceased as 50% based on his income, ignoring the settled principles on the point of future prospects laid down by the Hon'ble Apex Court in a wide range of cases.

11. Learned counsel for the appellants submits that the learned Tribunal grossly erred in awarding an interest rate of only 6% per annum, which is on the lower side, and prays that the same be enhanced to 9% per annum.

CONTENTIONS OF RESPONDENT NO.2

12. Learned counsel for the respondent No.2/Insurance Company submits that the impugned award passed by the learned Tribunal is well-reasoned and based on a correct appreciation of the evidence on record. The respondent No.2 vehemently opposed the grounds raised in the appeal, contending that the compensation of Rs.77,40,000/- already awarded is just, fair, and reasonable. It is submitted that the Tribunal has correctly assessed the income, made the appropriate statutory deductions, and applied the correct multiplier and future prospects. Therefore, no case for enhancement is made out, and the appeal deserves to be dismissed.

ANALYSIS AND CONCLUSION

13. Heard the learned counsel for the parties and perused the record.

14. This Court has carefully examined the impugned award and the evidence adduced before the learned Tribunal. The primary grievance of the appellants is that the Tribunal ought to have assessed the income of the deceased at Rs.6,24,684/- per annum (or Rs.42,511/- per month) instead of the income actually taken into consideration for calculating the loss of dependency.

15. Upon a thorough re-appreciation of the evidence available on record, particularly the documentary evidence pertaining to the deceased's employment and salary with the BSF, this Court is of the considered opinion that the Tribunal has committed no error. The learned Tribunal, after a holistic appreciation of the evidence has rightly held in paragraphs 28 to 34 of the impugned award that the actual, actionable monthly salary of the deceased for the purpose of computing dependency is Rs.34,913/-.

16. In assessing the income of a salaried person for motor accident claims, the gross salary is not the sole determinant; appropriate and mandatory statutory deductions must be accounted for. The Tribunal's detailed findings in paragraphs 28 to 34 reflect a correct, lawful, and balanced evaluation of the deceased's pay slips and income tax liabilities. The resultant figure of Rs.34,913/- as the base monthly salary is factually accurate and legally sound.

17. Further, regarding the contentions raised about the future prospects, the number of dependants (minor children and aged parents), and the multiplier applied, this Court finds that the Tribunal has already factored these elements into the final compensation of Rs.77,40,000/-. The award represents a substantial and just sum that accurately mirrors the loss of dependency and conventional heads in accordance with the established legal principles.

18. The appellants have claimed that the interest rate of 6% per annum awarded by the Tribunal is on the lower side and should be enhanced to 9%. This Court notes that the award of interest under Section 171 of the Motor Vehicles Act is discretionary and must align with the prevailing banking rates at the time of the award. An interest rate of 6% per annum is consistent with the established judicial precedents and current economic realities. Accordingly, this

Court finds no reason to interfere with the rate of interest awarded by the learned Tribunal.

19. In view of the aforesaid discussion, the findings recorded by the learned Tribunal do not suffer from any illegality, perversity or jurisdictional error. The Tribunal has awarded a sum of Rs.77,40,000/-, which constitutes just and reasonable compensation under the Motor Vehicles Act, 1988. Accordingly, this Court finds no reason to interfere with the impugned award. The award dated 17.11.2022 passed by the 11th Additional Member, M.A.C.T., Indore, in Case Number 1122/2019 is hereby **affirmed**. The appeal is **dismissed**.

20. Parties to bear their own costs in this appeal.

21. Let the records of the Tribunal be sent back along with a copy of this Order.

(Jai Kumar Pillai)
Judge

Aiyer*/PS