



**Reportable**

**IN THE SUPREME COURT OF INDIA  
CIVIL APPELLATE JURISDICTION**

**Civil Appeal No.2159 of 2024**

**Dhannalal Alias Dhanraj (Dead) Thr. LRs.**

**...Appellants**

**Versus**

**Nasir Khan and Ors.**

**...Respondents**

**J U D G E M E N T**

**K. VINOD CHANDRAN, J.**

1. The original claimant, the injured in a motor accident, had filed the above appeal, seeking enhancement of compensation as awarded by the Motor Accidents Claims Tribunal<sup>1</sup> and enhanced by the High Court. The claimant who was rendered 100% disabled, by reason of the accident, unfortunately died during the pendency of this appeal; on 24.04.2024. The legal representatives have substituted themselves in place of the deceased claimant/injured.

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<sup>1</sup> for short, 'the Tribunal'

2. Heard, Mr. Shail Kumar Dwivedi, learned counsel for the appellants and Mr. Atul Nigam, learned counsel for the respondent insurance company.

3. The learned counsel for the insurance company raised a preliminary objection in continuing the appeal and considering it, by virtue of the substitution of the deceased claimant by his legal representatives. It is the contention of the insurer that since the claim is of compensation for personal injury, the continuation of the proceedings cannot be permitted by the legal representatives, going by Section 306 of the Indian Succession Act, 1925 and as interpreted by a Full Bench of the Madhya Pradesh High Court in ***Bhagwati Bai and Anr. v. Bablu and Mukund and Ors.***<sup>2</sup>, followed by a Single Judge of the High Court of Allahabad in ***Saroj Sharma v. State of U.P.***<sup>3</sup>.

4. The learned counsel for the respondent relied on a decision of this Court in ***Meena (Dead) Rep. by LRs. v. Prayagraj and Others.***<sup>4</sup> which followed another decision of this

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<sup>2</sup> AIR 2007 MP 38 (FB)

<sup>3</sup> 2014 SCC OnLine ALL 7707

<sup>4</sup> 2025 SCC OnLine SC 1433

Court in ***Oriental Insurance Company Limited v. Kahlon @ Jasmal Singh Kahlon***<sup>5</sup>.

5. We have to first deal with the preliminary objection raised against the continuation of the proceedings after the victim died. The Full Bench of the Madhya Pradesh High Court on an interpretation of the provisions of the Motor Vehicles Act, 1988, especially Section 166, juxtaposed with Section 306 of the Indian Succession Act, 1925 held : “...*that a claim for personal injury filed under Section 166 of the Motor Vehicles Act, 1988 would abate on the death of the claimant and would not survive to his legal representatives except as regards the claim for pecuniary loss to the estate of the claimant.*” (sic paragraph 15).

6. The answer is simple and clear in so far as the insertion of sub-section (5) to Section 167 by Act 32 of 2019 with effect from 01.04.2022, which reads as under:

*“[(5) Notwithstanding anything in this Act or any other law for the time being in force, the right of a person to claim compensation for injury in an accident shall, upon the death of a person injured, survive to his legal representatives, irrespective of whether the cause of*

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<sup>5</sup> (2022) 13 SCC 494

*death is relatable to or had any nexus with the injury or not.]”*

7. The right to claim compensation for the injuries caused in a motor vehicle accident hence survives on the legal representatives of the injured even if the injured dies in the course of the proceedings for reasons not relatable to or having any nexus with the injuries sustained. Here the injured died in 2024, after the insertion to Section 166 by amendment. We also have a difference of opinion with the declaration of law in ***Bhagwati Bai***<sup>2</sup> which we need not dilate upon in the facts of this case where the inserted provision is squarely applicable.

8. The finding in ***Kahlon @ Jasmail Singh Kahlon***<sup>4</sup> (supra) and ***Meena***<sup>3</sup> (supra) we extract from paragraph 5 of the latter decision which reads as follows:-

*“5. At the outset, the learned counsel for the claimants relied on Oriental Insurance Company Limited v. Kahlon @ Jasmail Singh Kahlon to impress upon us that despite the death of the injured, the legal representatives of the deceased can pursue the claim since the property under the Act would have a much wider connotation than the conventional definition and would include the estate left*

*behind by the deceased. It was held that if the legal heirs can pursue claims in case of death, there is no reason to prohibit the legal representatives to pursue claims for loss of a property, akin to estate of the injured, if the injured dies subsequently. We see, absolutely no reason to differ from the declaration of law and the insurer also raises no objection on the same. We would consider the enhancement sought by the original applicant, which if granted before her death would have accrued to her estate or rather compensated the loss of her estate; caused by reason of the accident, which the legal heirs are entitled to succeed to.”*

9. Coming to the quantum enhancement as claimed by the injured, the contentions are twofold, one on the earlier occasion, the Tribunal had granted an amount of Rs.18,52,000/- with 9% interest, determining the monthly income of the injured at Rs.8,000/- as against the claim of Rs.10,000/-. The claimant had contended that he was earning Rs.8,000/- per month from the job of a *Mistry* in the shop of a person who was examined as AD-02. The additional income of the claimant was from the agricultural lands which he owned. An appeal was filed in which there was a remand made when the Tribunal reduced the monthly income to

Rs.4,000/-; without any reasonable cause, as argued by the learned counsel for the appellants.

**10.** There was no documentary evidence submitted to prove the salary or the agricultural income. While the Tribunal at the earlier stage had adopted Rs.8,000/- as monthly income, on remand what was accepted as monthly income was Rs.4,030/-. In ***Ramachandrappa v. Manager, Royal Sundaram Alliance Insurance Company Limited***<sup>6</sup>, this Court held a Coolie to be entitled to Rs.4500/- as monthly income in 2004. Definitely there would be incremental increase of income in the succeeding years which we determine at Rs.500/- per year which would bring the total income so computed to Rs.9,000/- as on 2013. Considering the fact that the injured was engaged as a skilled worker for which oral evidence was adduced, we are of the opinion that Rs.9,000/- can be safely accepted as his monthly income at the time of the accident, which he was deprived of fully because of the 100% disability. The disability has been certified

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<sup>6</sup> (2011) 13 SCC 236

by a Medical Board of a Government Hospital and there is no dispute raised on the same.

11. It is trite that what is awarded to an injured in a claim petition is just compensation and as held by this Court it cannot lead to a windfall for the injured claimant or his legal heirs. The Tribunal and the High Court had adopted the multiplier of 14 for the 45 year old claimant which is in accordance with the judgment of a Constitution Bench of this Court in ***National Insurance Company Ltd. v. Pranay Sethi and Others***<sup>7</sup>. The fact remains that the injured lived only for 11 years. Probably; his life span having been reduced by the injuries which rendered him 100% disabled, ultimately resulting in his demise. The multiplier is applied on the assessment of the normal life span where an injured or deceased in a motor accident would have worked and earned to support himself and his family. When the consideration in the present appeal, is with respect to the loss occasioned to the estate of the injured; the injured having died, the multiplier adopted of 14 cannot be applied which will have

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<sup>7</sup> (2017) 16 SCC 680

to be reduced to 11, the actual life span. The victim not being engaged in a regular employment still is entitled to 25% for future prospects especially since his functional disability was 100%, totally disabled from carrying on any work or generate any income.

**12.** The award of the Tribunal as modified and enhanced by the High Court determined a total award of Rs.5,52,095/- as computed under mental agony, pain and suffering, nourishment, transportation and medical expenses, incurred and future, as also expenses for a personal attendant which has to be sustained, since the injured had lived for 11 years after the accident, in a vegetative state. That has already become a part of the estate of the injured-victim.

**13.** As for the loss of income, the following formula is adopted: -

$$\text{Rs.9,000} \times 12 \times 125\% \times 11 = \text{Rs.14,85,000/-}.$$

The total compensation would be, hence Rs.20,37,095/-.

**14.** One another contention raised is with respect to the restriction of the interest paid i.e., from the date of application



till 07.11.2016 as restricted by the High Court without any rationale. The interest on the total award of Rs.20,30,095/- at the rate of 9% would run from the date of the filing of the claim petition till the payment is made. If any amounts are already paid, the same shall be deducted and the balance shall be paid within a period of three months from the date of this judgment.

**15.** The appeal stands allowed.

**16.** Pending application, if any, shall stand disposed of.

..... J.  
**(K. VINOD CHANDRAN)**

..... J.  
**(N. V. ANJARIA)**

**New Delhi;  
September 26, 2025.**