

NON-REPORTABLE

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

CIVIL APPEAL NO. **OF 2026**
(ARISING OUT OF SLP (C) NO.17477 OF 2026)

DILIP **... APPELLANT(S)**

VERSUS

DEEPAK AND OTHERS **... RESPONDENT(S)**

ORDER

AUGUSTINE GEORGE MASI, J.

1. Leave granted.
2. This appeal arises out of the final order dated 13.02.2026 passed by the High Court of Madhya Pradesh at Indore (hereinafter referred as the “High Court”) in Misc. Appeal No. 5155 of 2018, whereby the High Court while affirming the finding of collusion between the parties recorded by the First Additional

Member, Motor Accident Claim Tribunal, Khargone (hereinafter referred as the “MACT/Tribunal”), dismissed the appeal filed by the appellant/claimant against the award dated 25.09.2018 passed in the Claim Case No. 219 of 2016, and thereby declined to grant any compensation to the appellant herein.

3. The appellant Dilip, aged about 32 years at the time of accident and holding a heavy vehicle driving licence, was proceeding on his motorcycle on 19.02.2016 at about 5.00 p.m. from village Lafnagaon towards Nagalwadi, along with his wife Subhadrabai and minor son Deepraj as pillion riders. At that time, a Trax Gama vehicle bearing registration No. MP-09-V-4590, owned by respondent No. 2 - Anar Singh and driven by respondent No. 1 - Deepak, is alleged to have come from the opposite direction, encroached onto the wrong side of the road, and dashed into the appellant's motorcycle from behind, causing grievous injuries to all three occupants.

4. As a result of the accident, the appellant

sustained a compound fracture of the right knee and thigh. He was first attended to at the Government Hospital, Nagalwadi, and thereafter referred to the District Hospital, Khargone, and subsequently to Patil Accidental Hospital, Dhulia (Maharashtra), where, on account of the gravity of the injury, his right leg had to be amputated near the thigh.

5. It is material to note the following sequence, borne out from the record:
 - (a) On the date of the accident itself, i.e. 19.02.2016, Dr. Rahul Taskey, Medical Officer, Government Hospital, Nagalwadi, who was the first medical practitioner to attend upon the appellant, addressed a written intimation regarding the accident to the Station House Officer, Police Station Nagalwadi.
 - (b) The said intimation, though sent on 19.02.2016, bears an endorsement of the Police Station showing its receipt only on 27.03.2016 i.e., a gap of about 37–38 days.
 - (c) Upon receipt of the said intimation, the police registered F.I.R. No. 76 of 2016 on 27.03.2016 at Police Station Nagalwadi,

District Barwani, under Sections 279, 337 and 338 of the Indian Penal Code, initially against an unknown accused.

- (d) During investigation, the registered owner of the offending vehicle, respondent No. 2 – Anar Singh, was examined and his statement recorded under Section 161 Cr.P.C. on 28.04.2016, wherein he stated that, as per information furnished by his driver, his vehicle (Trax Gama No. MP-09-V-4590) had met with an accident on 19.02.2016 at about 4–5 p.m.
- (e) A chargesheet was thereafter filed on 23.06.2016 before the Judicial Magistrate First Class, Rajpur, in Crime No. 76 of 2016, and the criminal case (No. 310 of 2016) arising therefrom is stated to be pending.
- (f) An independent eye-witness, one Parvat (PW-4), who was following the appellant on his own motorcycle at the time of the accident and who brought the injured to the Nagalwadi hospital, corroborated the occurrence of the accident and involvement of the offending vehicle in his deposition before the Tribunal.
- (g) The appellant was issued a Disability Certificate by the District Hospital, Khargone, on 28.11.2016, certifying permanent physical disability to the extent

of 70%, assessed with reference to the whole body, on account of amputation of the right leg near the thigh.

6. The appellant filed a claim petition on 11.05.2016 under Sections 140 and 166 of the Motor Vehicles Act, 1988, registered as Claim Case No. 219 of 2016, claiming compensation of ₹ 47,00,000/- under various heads, including loss of future earning capacity, medical expenses, pain and suffering, attendant charges, and loss of future family happiness. Connected claim petitions were also filed by his son Deepraj (minor, through natural guardian) and wife Subhadrabai arising out of the same accident, and were tried and disposed of together with Claim Case No. 219 of 2016.
7. By award dated 25.09.2018, the Tribunal dismissed the claim petitions in their entirety. The sole ground for dismissal, recorded in paragraph 22 of the award, was that since none of the claimants or witnesses had disclosed the registration number of the

offending vehicle to the hospital or the police for a period of about 38 days after the accident and the vehicle particulars surfacing only upon registration of the F.I.R. on 27.03.2016 therefore, the involvement of the Trax Gama vehicle in the accident was rendered doubtful, and the Tribunal drew an inference of collusion between the claimants and the owner/driver of the offending vehicle to falsely rope in the vehicle with a view to securing compensation from the insurer.

8. Aggrieved thereby, the appellant preferred an appeal before the High Court. By the impugned common judgment dated 13.02.2026, the High Court dismissed the appeals, holding that no fault could be found with the Tribunal's conclusion and that the finding of collusion, being based on appreciation of evidence, warranted no interference.
9. Aggrieved thereby, appellant preferred SLP before this Court. It is pertinent to mention that while issuing notice on 22.05.2026, this

Court had specifically recorded that learned counsel for the appellant had invited attention to the statement of Anar Singh, owner of the offending vehicle, recorded under Section 161 Cr.P.C. Pursuant to notice, respondent No. 3 – National Insurance Company Limited has entered appearance and filed its counter affidavit, opposing the petition essentially on the ground that the concurrent findings of collusion recorded by the Tribunal and the High Court call for no interference, and that, in any event, the compensation claimed is excessive.

10. The questions that fall for our consideration are: (i) whether the Tribunal and the High Court were justified in disbelieving the occurrence of the accident and the involvement of the offending vehicle, notwithstanding the admission of the registered owner of the vehicle and the contemporaneous report made by the treating doctor to the police on the date of the accident itself; and (ii) if the accident and the involvement of the offending vehicle stand

established, the just compensation to which the appellant is entitled.

11. It is well settled that proceedings before MACT are summary in nature and are to be decided on the touchstone of preponderance of probability, and not on the strict standard of proof beyond reasonable doubt applicable to criminal trials. It is equally well settled that mere delay in lodging the FIR cannot, by itself, be treated as fatal to a claim for compensation, since it is unrealistic to expect a family faced with a medical emergency to prioritise formalities of criminal complaint over the treatment and safety of the injured.
12. In the present case, what has been lost sight of by both the courts below is that the delay of about 37-38 days is a delay in the police recording/registering the information, and not a delay on the part of the appellant or the treating doctor in reporting the accident. The record bears out, and is not disputed, that the intimation given by Dr. Rahul Taskey to the

Police Station, Nagalwadi, is dated 19.02.2016 *viz.* the very date of the accident. That the said intimation came to be endorsed as received by the police only on 27.03.2016 is a circumstance concerning the conduct of the investigating agency, for which the appellant, then undergoing emergency treatment including amputation of his leg, cannot be penalised.

13. More importantly, both the Tribunal and the High Court have failed to accord due weight to the admission made by respondent No. 2 – Anar Singh, the registered owner of the offending vehicle, in his own statement recorded under Section 161 Cr.P.C. on 28.04.2016, wherein he candidly stated that his vehicle had met with an accident on 19.02.2016. This statement constitutes an admission against interest by a person who, having no claim to make and nothing to gain, had no conceivable motive to falsely own up an accident involving his own vehicle. Such an admission is a piece of evidence of considerable

probative value and ought ordinarily to tilt the balance of probability in favour of the claimant, rather than being treated as a factor supporting an inference of collusion, as respondent No. 3 would have it. The reasoning of the courts below, treating the owner's admission merely as one more indicator of collusion rather than as substantive corroboration of the accident, does not commend acceptance and results in an error apparent on the face of the record.

14. This admission stands further corroborated by the deposition of the independent eye-witness Parvat (PW-4), who was admittedly following the appellant on his own motorcycle at the time of the accident and who brought the injured to hospital, and who identified the offending vehicle.
15. We may also note that, upon investigation, a chargesheet dated 23.06.2016 has been filed by the police before the Judicial Magistrate First Class, Rajpur, in Crime No. 76 of 2016,

arraigning respondent No. 1 – Deepak, the driver of the offending vehicle, as an accused for offences under Sections 279, 337 and 338 IPC. The filing of the chargesheet against the driver of the very vehicle owned by respondent No. 2 furnishes yet another independent corroborative circumstance lending credence to the case set up by the appellant, that the accident did in fact occur and that it occurred with the involvement of the offending vehicle. We hasten to clarify that we express no opinion on the merits of the pending criminal case, nor on the eventual guilt or innocence of the accused therein, the result whereof is yet unknown; the fact of the chargesheet having been filed is adverted to only insofar as it is a relevant circumstance corroborating the factum of the accident and the identity of the offending vehicle, for the limited purpose of these compensation proceedings, which stand on a different and lower pedestal of standard of proof than a criminal trial.

16. The evidence on record i.e., the

contemporaneous medical intimation of 19.02.2016, the corroborative testimony of an independent eye-witness, the filing of the chargesheet against the driver of the offending vehicle and the admission of the vehicle owner himself establishes, on preponderance of probability, that the accident occurred in the manner pleaded by the appellant and that Trax Gama No. MP-09-V-4590 was the offending vehicle involved therein.

17. For the aforesaid reasons, the finding recorded in paragraph 22 of the award of the Tribunal that the claim is vitiated by collusion, as affirmed by the High Court in the impugned judgment, cannot be sustained and is accordingly set aside. It is held that the accident did take place on 19.02.2016 of the petitioner, his wife – Subhadrabai and son – Deepraj while going on motorcycle CBZ and the vehicle Trax Gama No. MP-09-V-4590 stands established.

18. Since the finding on liability is being reversed,

it becomes necessary to determine just compensation. The appellant had claimed a monthly income of Rs. 15,000/-, stating that he used to drive trucks and trailers for various vehicle owners. However, no documentary evidence such as a salary certificate, appointment letter, or income-tax return was produced in support of the said claim, the appellant being engaged in an informal/unorganised occupation. In such circumstances, it would be appropriate, and is directed, that the notional monthly income of the appellant be computed on the basis of the minimum wages notified by the State of Madhya Pradesh, under the Minimum Wages Act, 1948, for a skilled workman, as applicable/prevalent on the date of the accident, i.e. 19.02.2016, having regard to the fact that the appellant held a heavy vehicle driving license.

19. The permanent disability certified by the Medical Board, District Hospital, Khargone, vide certificate dated 28.11.2016, is 70%,

assessed with reference to the whole body, consequent upon amputation of the right leg near the thigh. As settled by this Court in the decisions of ***K. Janardhan v. United India Insurance Company Limited and Another***¹ and ***Sanjay Rajpoot v. Ram Singh and Others***² (authored by one of us, Sanjay Karol, J.), that the functional disability suffered by a claimant, insofar as it relates to his particular avocation, is not to be mechanically equated with the percentage of anatomical/whole-body disability certified by the Medical Board, and where the injury sustained is such as to render the claimant wholly incapable of continuing in his own vocation, the loss of earning capacity may justifiably be assessed at 100%. Therefore, noting that loss of a leg renders the appellant entirely unfit to operate a heavy motor vehicle or perform his duties as a driver, we deem it appropriate to treat his functional disability and loss of earning capacity as 100%.

¹ (2008) 8 SCC 518

² 2025 SCC OnLine SC 285

20. Applying the multiplier of 16, appropriate to the appellant's age of 32 years at the time of the accident and adding 40% towards future prospects, compensation is computed as under:

Compensation Heads	Amount Awarded	In accordance with
Monthly Income	₹ 8,810/-	<i>Baby Sakshi Greola v. Manzoor Ahmad Simon</i> , (2022) 7 SCC 738 : (2022) 3 SCC (Cri) 269 : (2022) 4 SCC (Civ) 175 Para 10
Yearly Income	₹ 1,05,720/-	
Future Prospects	40% (₹ 42,288/-)	<i>National Insurance Co. Ltd. v. Pranay Sethi</i> , (2017) 16 SCC 680 : (2018) 2 SCC (Cri) 205 : (2018) 3 SCC (Civ) 248 Para 42 and 59
Multiplier	16	
Permanent Disability	100%	<i>Mohd. Sabeer v. U.P. SRTC</i> , (2023) 20 SCC 774 Para 12-15

Loss of Income/Future Earnings due to disability	₹ 23,68,128/-	
Medical Expenses	₹ 82,700/-	<i>Sidram v. Divisional Manager, United India Insurance Ltd., (2023) 3 SCC 439 : (2023) 1 SCC (Cri) 730 Para 63-66, 89 <i>Kajal v. Jagdish Chand, (2020) 4 SCC 413 : (2020) 2 SCC (Cri) 577 : (2020) 3 SCC (Civ) 27 Para 19, 26, 28, 29 Sanjay Rajpoot v. Ram Singh, 2025 SCC OnLine SC 285, Para 12 Mallikarjun v. National Insurance Co. Ltd., (2014) 14</i></i>
Special Diet & Transportation	₹ 75,000/-	
Loss of Income during treatment (1 month & 5 Days)	₹ 10,278/-	
Loss of Amenities	₹ 1,00,000/-	
Pain & Suffering	₹ 1,00,000/-	

		SCC 396 : (2015) 1 SCC (Civ) 335 : (2015) 1 SCC (Cri) 372 Para 13 Para 12-15
Total	₹ 27,36,106/-	

21. The appellant is accordingly held entitled to total compensation of ₹ **27,36,106/-** (Rupees Twenty-Seven Lakhs, Thirty-Six Thousand, One-Hundred and Six only) together with interest at the rate of 6% per annum from the date of filing of the claim petition, i.e., 11.05.2016 till the date of realisation. We direct that the amount on quantification be paid to the appellant within a period of three months from today, failing which the amount shall carry interest at 9% p.a. from the date of default till the date of actual payment.
22. The liability to pay the compensation shall solely be that of respondent No. 3 – National Insurance Company Limited, as the insurer of the offending vehicle.
23. In view of the foregoing, the appeal is allowed.

The judgment and order dated 13.02.2026 passed by the High Court and the award dated 25.09.2018 passed by the Tribunal are set aside to the extent they dismiss the claim of the appellant. The appellant is held entitled to compensation of ₹ **27,36,106/-** together with interest as specified above from 11.05.2016 till realization, payable by respondents No. 3.

24. The Appeal is allowed in above terms. There shall be no order as to costs.
25. Pending application(s), if any, also stands disposed of.

.....J.
[**SANJAY KAROL**]

.....J.
[**AUGUSTINE GEORGE MASIH**]

**NEW DELHI;
JULY 27, 2026.**