

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

**CIVIL APPEAL NO..... OF 2026
(@ Special Leave Petition (Civil) No.26167 of 2024)**

NASEEMA & ORS.

... APPELLANT(S)

VERSUS

RAJENDRA SINGH & ORS.

...RESPONDENT(S)

O R D E R

Time taken for disposal of the claim petition by the MACT	Time taken for disposal of appeal by the High Court	Time taken for the disposal of the appeal in this Court
7 months 5 days	17 years 11 months 26 days	1 year 4 months 26 days

1. Leave granted.

2. This appeal arises from the judgment of the High Court of Allahabad dated 25.08.2023, which interfered with the award passed by the Motor Accident Claims Tribunal (MACT), Faibipur.

3. We have heard the learned counsel for the parties, and now we proceed to decide the matter.

4. It is an undisputed fact that on 03.06.2004, a road accident took place in which the deceased, Furqan Ahmad, was travelling in a bus bearing registration no. UP-78-N-1304. During the course of such journey, a tanker bearing registration no. UP-35-B-1111 (offending vehicle), coming from the opposite direction in a rash and negligent manner, collided with the bus in which the deceased was travelling, resulting in his instant death.

5. In connection with the above accident, an FIR was registered; the involvement of the offending vehicle (Reg No. UP-35-B-1111); its valid insurance coverage; the driver's negligence; as well as the injuries sustained by the victim and his death; stand fully established. The claimants (the deceased's legal heirs) succeeded in their claim petition before the Tribunal and were awarded

Rs.1,77,000/- as compensation, with the deceased's yearly income being assessed at Rs.15,000/- and awarded an interest at a rate of 6% per annum.

6. The High Court, in an appeal preferred by the claimant-appellant(s), interfered with the award as passed by the Tribunal, and held that the multiplier applied by awarding the compensation should have been 16 instead of 17, and also awarded 40% towards future prospects and reassessed the income @ Rs.36,000/- per annum as against the assessment of Rs. 10,000/- per annum by the Tribunal. The total compensation awarded by the High Court stood approximately @ Rs.6,11,800/- along with an interest of 6% per annum.

7. We have heard the learned counsel for the parties, and now we proceed to decide the matter.

8. Insofar as the computation of the income of the deceased is concerned, the claimant-

appellant(s) contended that the deceased was earning Rs. 5,000/- per month. Having regard to the facts and circumstances of the present case and keeping in mind that the deceased was 32 years old and running a tea-stall at the time of the accident. The wife of the deceased deposed before the tribunal that the deceased was earning Rs.5,000/- per month, even though the tribunal assessed the yearly income of the deceased at a paltry sum of Rs.15,000/- per annum on the ground that there was no evidence on record to prove the same. We find that the courts below, while assessing the income, adopted a hyper-technical and restrictive approach. This court in a *catena* of judgments has held that a daily wage labour or a person engaged in petty trade, which is factum of the present matter, should not be compelled to furnish elaborate documentary proof of income, as the very nature of such employment precludes the maintenance of formal records like salary slips or income tax returns. Direct evidence,

including the oral testimony of the claimant-appellant(s), corroborated by contemporaneous circumstances such as the nature of work, prevailing local wage rates, and testimony of co-workers or employers, suffices to establish notional income for compensation purposes. This court in *Prabhavathi v. Bangalore Metropolitan Transport Corpn*¹. held that:

"13. It is the settled law that under the Motor Vehicle Act, 1988 it is established that in compensation cases, the strict rules of evidence used in criminal trials do not apply. Instead, the standard of proof is based on the preponderance of probability. This Court in *Sunita v. Rajasthan SRTC*³ observed that:

"22. It is thus well settled that in motor accident claim cases, once the foundational fact, namely, the actual occurrence of the accident, has been established, then the Tribunal's role would be to calculate the quantum of just compensation if the accident had taken place by reason of negligence of the driver of a motor vehicle and, while doing so, the Tribunal would not be strictly bound by the pleadings of the parties. Notably, while deciding cases arising out of motor vehicle accidents, the standard of proof to be borne in mind must be of preponderance of probability and not the strict standard of proof beyond all

reasonable doubt which is followed in criminal cases."

The exposition came to be reiterated in *Rajwati alias Rajjo v. United India Insurance Company Ltd.*, wherein it was observed that:

"20. It is well settled that Motor Vehicles Act, 1988 is a beneficial piece of legislation and as such, while dealing with compensation cases, once the actual occurrence of the accident has been established, the Tribunal's role would be to award just and fair compensation. As held by this Court in *Sunita (Supra)* and *Kusum Lata (Supra)*, strict rules of evidence as applicable in a criminal trial, are not applicable in motor accident compensation cases, i.e., to say, "the standard of proof to be borne in mind must be of preponderance of probability and not the strict standard of proof beyond all reasonable doubt which is followed in criminal cases."

Hence, ensuring that claimants from humble backgrounds are not denied just compensation on grounds of evidentiary technicalities and on the basis of deposition of the wife of the deceased, we reassess the income of the deceased @ Rs.5,000/- per month.

9. Hence, the Final Compensation is awarded as per the chart mentioned below:

Compensation Heads	Amount Awarded	In Accordance with:
Monthly Income	Rs.5,000/-	
Yearly Income	Rs.60,000/-	
Future Prospects (40%), age 32 years	60,000/- + 24,000/- = Rs.84,000/-	National Insurance Co. Ltd. v. Pranay Sethi (2017) 16 SCC 680 Para 42 & 59.4
Deduction (1/4)	84,000 - 21,000 = Rs. 63,000/-	
Multiplier (16)	63,000/- x 16 = Rs. 10,08,000/-	
Loss of Income	Rs.10,08,000/-	
Loss of Estate	Rs.18,150/-	National Insurance Co. Ltd. v. Pranay Sethi (2017) 16 SCC 680
Funeral Expenses	Rs.18,150/-	
Loss of Consortium	Rs. 48,400 x 5 = Rs.2,42,000/-	
TOTAL	Rs.12,86,300/-	

Thus, the difference in compensation is as under:

MACT	High Court	This Court
Rs.1,77,000/-	Rs.6,11,800/-	Rs.12,86,300/-

10. The appeal is allowed. Interest on the amount is payable as awarded by the Tribunal. The issue of liability remains untouched and as a result the observations of the Tribunal

regarding joint and several liability remain as they are. The liability of satisfying the award shall be on respondent no. 2 i.e. the insurance company.

11. The amount be directly remitted into the bank account of the claimant-appellant(s) in the same ratio, if any, as ordered by the Tribunal. The particulars of the bank account are to be immediately supplied by the learned counsel for the claimant-appellant(s) to the learned counsel for the respondent. The amount be remitted positively within a period of four weeks thereafter. The period of delay in filing this appeal shall be excluded during the computation of interest.

12. Pending application(s), if any, shall stand disposed of.

.....J.
(SANJAY KAROL)

.....J.
(AUGUSTINE GEORGE MASIH)

New Delhi
February 24, 2026

S U P R E M E C O U R T O F I N D I A
R E C O R D O F P R O C E E D I N G S

Petition(s) for Special Leave to Appeal (C) No(s).26167/2024

[Arising out of impugned final judgment and order dated 25-08-2023 in FAFO No. 2378/2005 passed by the High Court of Judicature at Allahabad]

NASEEMA & ORS.

Petitioner(s)

VERSUS

RAJENDRA SINGH & ORS.

Respondent(s)

Date: 24-02-2026 This petition was called on for hearing today.

CORAM : HON'BLE MR. JUSTICE SANJAY KAROL
HON'BLE MR. JUSTICE AUGUSTINE GEORGE MASIH

For Petitioner(s) Mr. P.N.mishra, Adv.
Mr. Mansoor Ali, AOR
Ms. Rubina Jawed, Adv.
Mr. Taufeeq Nhi, Adv.
Ms. Saima Jawed, Adv.

For Respondent(s) Mr. J.P. Sheokand, Adv.
Mr. Kuldeep Singh Kuchaliya, Adv.
Ms. Richa Tripathi, Adv.
Mr. Aman Rastogi, Adv.
Mr. Sanjay Rastogi, AOR

Mr. Nishit Agrawal, AOR
Ms. Kanishka Mittal, Adv.
Ms. Deepti Rathi, Adv.

UPON hearing the counsel the Court made the following
O R D E R

1. Leave granted.
2. The Appeal is allowed, in terms of the signed order.
3. Pending application(s), if any, shall stand disposed of.

(KANCHAN CHOUHAN)
SENIOR PERSONAL ASSISTANT

(ANU BHALLA)
COURT MASTER (NSH)

[Signed order is placed on the file.]