

# Crashfree India

RESEARCH BRIEF | JANUARY 2026

## JUSTICE UNSERVED

Why Most Crash Victims Don't Get Compensated in India



# Executive Summary

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India has comprehensive road crash compensation laws. Yet in FY 2022-23, the General Insurance Council received only 205 claims against an average of ~25,000 eligible crashes per year. This points to an extremely low claim rate. This paradox defines India's compensation crisis: the law exists, but the system is fragmented and largely inaccessible to victims. This gap reveals a structural failure in implementation.

Crashfree India's research initiative on mapping the compensation journey after a road crash combines three evidence streams: secondary research (literature review of 50+ legal sources, policy documents, and institutional data), expert consultations (20+ interviews with judges, insurance executives, lawyers, police, and legal aid officials) and primary research (field visits to MACTs, legal aid authorities; initiating a structured survey of crash victims and claimants across Delhi-NCR to document lived experiences and validate findings).

Drawing on extensive stakeholder consultations and secondary research, five thematic areas capturing the key bottlenecks in India's compensation process were identified. These include:

1. Access and Awareness: Victims' knowledge of compensation; breakdowns in information channels
2. Timeliness: Where the process stalls; causes of delay
3. Legal Efficiency: Documentary burdens on claimants; unclaimed funds; ADR utilisation
4. Adequacy: Compensation vs. actual losses; non-pecuniary damage inclusion
5. Equity: Geographic and gender-based disparities

The research gap is stark. There is no comprehensive victim-side empirical study that documents when victims first learn about compensation, why those eligible do not file claims, which institutional touchpoints fail them the most, and how claimants from different income levels, geographies, and genders experience varying compensation outcomes.

This research aims to inform policy recommendations, improve procedural efficiency, and guide institutional reforms to make road crash compensation accessible, timely, and equitable for all victims.

These initial insights come from Crashfree India's ongoing field research and conversations with lawyers, insurers, police and others on the ground. They are just the beginning of a growing knowledge base, not a final study. We invite NGOs, legal aid organisations and experts to join us and share ideas, feedback and experience to help shape and scale these crash compensation reforms.

# Credits

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## Expert Consultations (Selected)

This research was informed by expert consultations conducted between October–December 2025, including:

- Justice J.R. Midha (Retd.), Architect of Delhi’s Fast Digital Accident Reporting (DAR) system
- Arvind Shenoy, Ex-Technical Advisor (Motor and Legal), General Insurance Council
- Mishika Singh, Advocate and Founder, Neev Foundation for Legal Aid

Additional consultations with judges, insurance professionals, lawyers, police officials, legal aid authorities, and policy experts are detailed in the Appendix. Several contributors requested anonymity to enable candid institutional insights.

## Research Support and Institutional Inputs

Judiciary, insurance sector, legal profession, police and transport authorities, and road safety policy stakeholders across Delhi–NCR.

**Be a part of  
our journey**



Disclaimer

This research brief is intended for informational and policy discussion purposes only. While reasonable care has been taken to ensure accuracy, the findings and interpretations presented do not constitute legal advice.

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# The Invisible Crisis

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India recorded approximately 1.7 lakh road crash fatalities in 2023<sup>1</sup>, making it one of the world's deadliest road systems. Yet behind every crash statistic lies a hidden crisis: families plunged into poverty, victims unable to access medical care, and eligible compensation left unclaimed.

In FY 2022-23, only 205 claims were filed (₹1.78 crore disbursed) under the new hit-and-run scheme<sup>2</sup>. In 2023-24, this surged to 3000 claims<sup>3</sup> (out of which 2000 have been settled), yet even this is just ~12% of the ~25,000 average yearly hit-and-run crashes in India (GI Council Data). Notably, only 10 states and 1 UT have contributed to the claims so far. This gap isn't just about individual awareness, but fragmented institutional capacity and uneven geographic reach.

The Supreme Court took note, identifying “**a negligible number of victims benefitting from schemes**” due to “**low levels of awareness among the public and weak dissemination by authorities**”.<sup>4</sup>

## Evidence Snapshot



**~25,000**

average yearly hit-and-run  
crashes in India



**205**

claims filed  
FY 2022-23



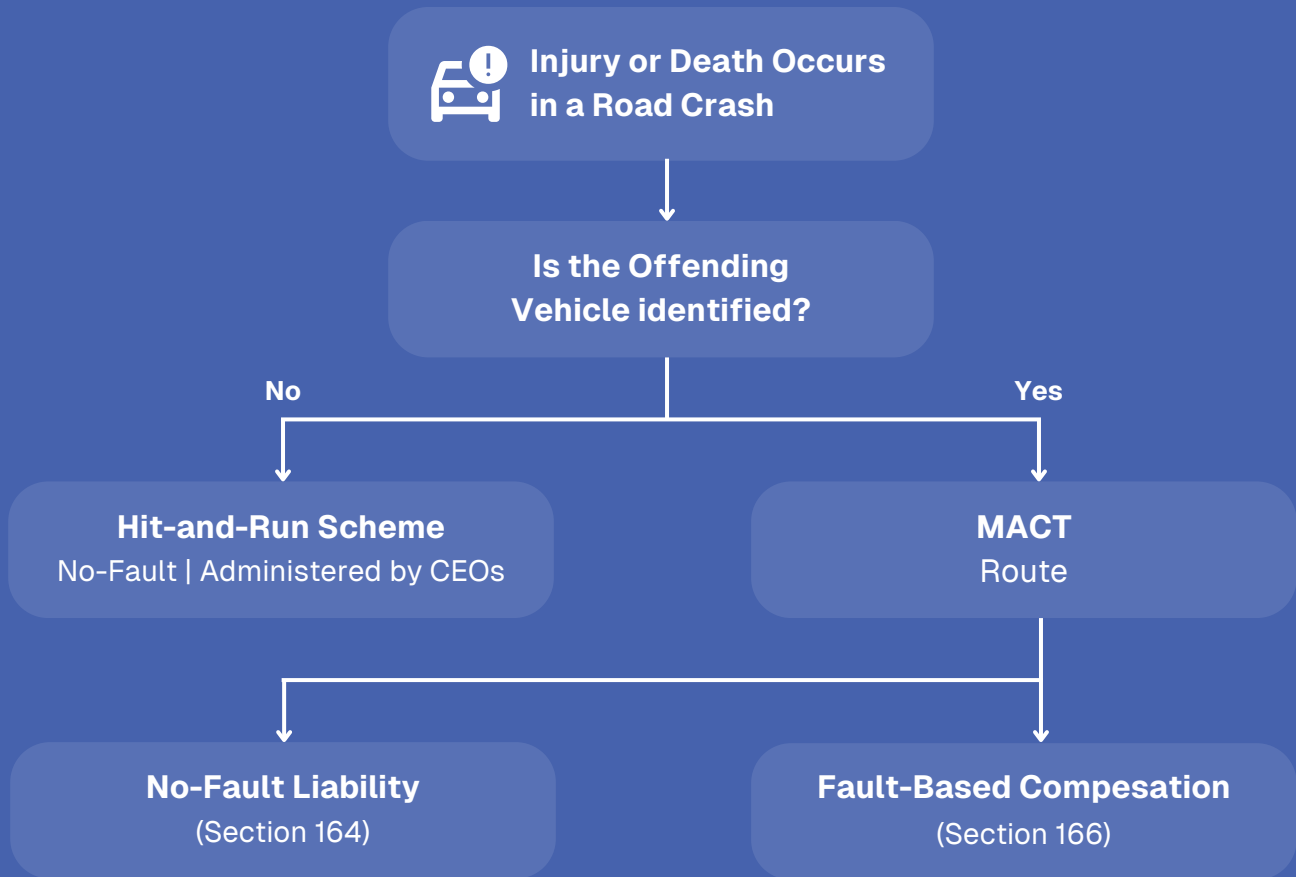
**3000**

claims filed  
FY 2023-24

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There exist distinct compensation routes for road crash victims in India, each tailored to different circumstances and offering varying levels of financial relief. (Refer to the Appendix for further details)

# Existing Compensation Routes



1. The **Hit-and-Run Compensation Scheme**<sup>5</sup> offers no-fault compensation (₹2 lakh for death, ₹50,000 for grievous injury) when the offending vehicle cannot be traced, administered through Claims Enquiry Officers (CEOs).

2. The **No-Fault Liability**<sup>6</sup> route under Section 164 of the Motor Vehicles (MV) Act provides fixed compensation (₹5 lakh for death, ₹2.5 lakh for grievous injury) without requiring proof of negligence, adjudicated by Motor Accident Claims Tribunals (MACTs) and processed by third-party insurers.

3. The **Fault-Based Compensation**<sup>7</sup> route under Section 166 of the MV Act allows claimants to seek compensation beyond fixed amounts by proving negligence, with awards determined by Tribunals based on actual losses and circumstances, potentially including non-pecuniary damages for pain and suffering.

All pathways mandate direct bank transfers to claimants, are supported by free legal aid from District Legal Service Authorities (DLSAs), and operate under SC-monitored timelines and compliance frameworks to ensure victim access and institutional accountability.<sup>8</sup>

# Why This Matters: The Human Cost

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World Bank research documents that road traffic injuries disproportionately impact low-income households (LIH) in states with lower institutional capacity. LIH experienced sharper income decline post-crash, greater financial strain (including asset liquidation and borrowing), and longer recovery periods compared to high-income households (HIH). Only 14% of LIH receive insurance compensation compared to 24% of HIH, and when they do, compensation amounts are significantly lower.<sup>9</sup>

As Mr. Arvind Shenoy (ex-Technical Advisor, GI Council) noted, about half of two-wheelers in India remain uninsured because **“insurance is more expensive than occasional fines”** and **“many people are unaware of its benefits.”**<sup>10</sup>

Families of LIH crash victims often fall into debt cycles. In such households, waiting 1-2 years for an insurance payout can threaten survival, whereas higher-income families are better able to absorb delays.<sup>11</sup> One SC advocate in his consultation observed that **“Victims' families are often disadvantaged and do not know how to access compensation through insurance or any government schemes.”**



# Awareness – Limited Knowledge of Compensation Entitlements

01



## Evidence

According to a survey,

**70% of respondents of LIH and 63% of HIH**

were not aware of compensation clauses and schemes in the event of a road crash.<sup>12</sup>

## Underlying Barriers

### Implementation Gaps

Many stakeholders identified police stations (one of the first institutional touch-points after a crash) as **lacking structured awareness mechanisms**, while hospitals do not routinely inform victims of compensation entitlements and legal aid remains minimally visible outside urban centers.

**The SC has mandated that the police must inform hit-and-run victims about compensation schemes.**<sup>13,14</sup> “Police officers are required to prepare detailed accident reports, submit them to Claims Tribunals and insurance companies, and furnish victims with details about their rights and scheme flowcharts in vernacular languages or English.”

However, as the High Court noted in the case of **Gohar Mohammad v. Uttar Pradesh State Road Transport Corporation (2022)**, this procedure fastens a **"facilitator" role** on the police beyond their traditional investigative function, requiring officers to be "well equipped and conversant with the provisions" to discharge duties effectively.

Despite Delhi High Court's **Modified Claims Tribunal Agreed Procedure (MCTAP)**<sup>15</sup> and directions to State Judicial Academies to sensitise presiding officers, senior police officials, and insurance companies, effective implementation "remained a persistent roadblock at all levels".<sup>16</sup> This reveals a critical gap: while the law mandates police as key information disseminators, **institutional capacity-building and compliance monitoring** have not kept pace, leaving victims unaware of their compensation pathways even after the first institutional contact.

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## Minimal Legal Aid Awareness

Practitioner insights indicate that many eligible individuals are unaware of their right to free legal aid, underscoring a major gap in awareness and accessibility. Official judicial orders explicitly emphasise creating public awareness initiatives<sup>17</sup>, indicating that victim awareness about free legal aid has historically been inadequate.

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## Fraudulent Intermediaries

Many victims and experts claimed that in the absence of formal guidance, unregulated intermediaries ('ambulance chasers') intercept victims, promising to 'help' file claims in exchange for a commission.

### **Adv. Sanchit Seth explained:**

"Despite the Advocates Act prohibiting contingency fees, a grey zone persists where unregistered operators mislead victims about timelines and amounts."<sup>19</sup>

The Bar Council of India suspended 28 advocates (in 2021) for filing fake motor accident compensation claims before the MACT<sup>18</sup>, indicating systematic abuse.

### **Adv. Amarjeet Singh noted:**

"These intermediaries succeed because they offer immediate 'hand-holding' that is often not provided to victims by the police and hospital administration. This creates a vacuum which cannot be solved by just banning them, but replacing them with a functional support system (like the DLSAs/Para-Legal Volunteers)."

# Timeliness –

## Procedural Delays as a Barrier to Justice

# 02



### Evidence

#### Average Compensation Timeline

Azmi and Ram (2023) report an average compensation timeline of 3.6 years<sup>20</sup> (some cases exceed 10-15 years through appeals).

#### MACT Case Backlogs

~10.46 lakh pending cases nationwide, representing ~₹80,455 crore in pending claims.<sup>21</sup>

#### FastDAR Implementation

Delhi has operationalised the Fast Digital Accident Reporting system and routinely files e-DAR. Several other states have partial eDAR rollouts; but **nationwide operationalisation remains sluggish.**<sup>22,23</sup>

## Underlying Barriers

### Delays in Adjudication

During oral hearings in *National Insurance Company Limited v. Thungala Dhana Laxmi (2025)*<sup>24</sup>, Justice Karol noted that 'the typical MACT case takes 8-10 years', as 'insurers resist settlement at all stages', resulting in 'a drain on public exchequer' through accumulated interest. **The Court directed IRDAI and 22 insurance companies to develop uniform insurance policies, recognising that litigation delays and policy confusion are systemic problems requiring regulatory reform.**

In *Gohar Mohammad*, "the counsel expressed concern regarding delay in disposal of the claims cases in trial court or at appellate stage." Laying emphasis on the 'Objects and Reasons' of MV Amendment Act, 2019, they said that:

"the mandate of the provisions of the M.V. Amendment Act, the Rules and the Recourse as specified have not been followed by the stakeholders including Claims Tribunals working under subordination of different High Courts".

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### Delays in Reporting

Experts also cited bottlenecks in police reporting: claims require timely First Accident Reports (FAR in 24h), Interim Accident Reports (IAR in 30 days) and Detailed Accident Reports (DAR in 90 days). Any failure cascades delay.

**Justice J.R. Midha (Retd.) notes that inconsistencies in filing FAR/IAR/DAR warrant SC oversight.**

# Legal Efficiency –

## Complexity and Fragmentation in Claims Processing

03



### Evidence

#### Documentation Difficulties

Of 1,026 pending hit and run claims (as of July 2024), 921 (or **nearly 90%**) were stalled specifically due to documentary deficiencies<sup>25</sup>, revealing a critical procedural barrier.

#### Unclaimed Funds

Staggering compensation amounts lie unclaimed in MACTs: **₹282 crore in Gujarat, ₹459 crore in Bombay, ₹361 crore in Goa**, and so on.<sup>26</sup> By contrast, National Lok Adalats (NLAs) have emerged as one of the primary mechanisms for settlement, with National Legal Services Authority (NALSA) data from 2020 showing over **10.4 lakh cases** settled in a single event<sup>27</sup>.

Recent data (Dec 2025) shows that as many as 303 cases, largely relating to motor accident claims, were settled at the NLA held at the Punjab and Haryana High Court; resulting in an award of Rs 13.36 crore to the litigants.<sup>28</sup>

## Underlying Barriers

### Inter-Agency and Digital System Fragmentation

As pointed out in stakeholder consultations, multi-agency coordination without accountability, diffused responsibility, and digital system gaps trigger delays that ripple through the entire compensation chain. While e-DAR has been operationalised across all 36 states and union territories as of 2022, implementation variation is evident. **Delhi police have achieved 94% DAR filing rates in fatal crashes<sup>29</sup>**, with limited evidence of equivalent expedited processing in other jurisdictions. The absence of automated integration between police FIR databases and insurance claim processing systems means **crash notification relies on administrative channels rather than automated real-time linkage.<sup>30</sup>**

### Execution of the Award

A significant pain point for claimants is the execution of the award, especially when the vehicle is uninsured.

**Adv. Amarjeet Singh notes,**

"Justice is often delayed further post-judgment, as insurance companies routinely appeal on technical grounds, and execution against uninsured private owners is notoriously difficult."

Despite the MCTAP mandating prompt deposits and the launch of the **Motor Accident Claims Annuity Deposit (MACAD) Scheme<sup>31</sup>**, disbursement of the entitled compensation to the beneficiaries is often stalled. Experts identified a key root cause: the full procedural burden, from documentation to verification, is placed on the claimant. As a result this system risks excluding low-literacy families, leaving many awards unclaimed.

Pointing to the **information asymmetry and lack of post-judgment support**, the Court in Gohar Mohammad noted the "procedural delays in adjudication of claims by the MACT and following hardships to the claimants"; and "the full amount of compensation not reaching the claimants, particularly to those who are uneducated".

## Informal Settlement Mechanisms

Speaking to insurance officials provided a critical insight; they claim that, **“50-60% motor crash claims are usually settled outside of courts, mostly in National Lok Adalats (NLAs). This helps reduce the heavy pendency and backlog of cases on the Tribunals.”**

Alternate Dispute Resolution (ADR) mechanisms may help expedite the settlement process, but are informal systems. **Unlike tribunal awards, out-of-court settlements reached through Lok Adalats represent consensual agreements without post-settlement interest.** Lok Adalat awards are deemed joint settlements rather than judicial determinations.<sup>32</sup>

As noted in critical commentary on ADR mechanisms,<sup>32,33</sup> in the endeavour for speedy disposal of cases, they risk undermining equitable compensation outcomes. This is particularly when poor claimants are pitted against well-resourced insurance companies (and/or are coerced to accept discounted settlements just to end long-pending cases).



# Adequacy –

## Compensation Misaligned with Actual Losses

# 04



### Evidence

#### **Systematic Underestimation of Non-Pecuniary Damages at Lower Levels**

The SC, in *Kajal vs. Jagdish Chand and Others, 2022*<sup>34</sup>, has held that in permanent disability cases, non-pecuniary damages (including pain, suffering, loss of amenities, loss of marital bliss, and loss of life expectancy) must be assessed alongside pecuniary compensation to ensure just compensation. This case involved 100% permanent disability (spinal cord injury, lower limb paralysis). The tribunal's award of Rs. 9 lakh and high court's enhancement to Rs. 23 lakh were found inadequate; the SC enhanced it to Rs. 51.62 lakh. Similarly, the March 2025 SC judgment<sup>35</sup> (*Parminder Singh v. Honey Goyal*) demonstrates that beyond income loss, comprehensive assessment of special losses (attendant charges, special diet, physiotherapy) is required.

## Documentation Deficits and Minimum Wage-Based Valuation

SC directives demonstrate that while minimum wage serves as a baseline for income assessment when documentation is absent, it often underestimates compensation for young people and those with earning potential. The February 2025 judgment<sup>36</sup> (Deepak Singh v. Mukesh Kumar) held that **young students' notional income should reflect future earning potential rather than minimum wage of unskilled workers**. More starkly, the September 2025 judgment<sup>37</sup> (Hitesh Nagjibhai Patel case) enhanced an 8-year-old's compensation from Rs. 8.65 lakh (HC award based on minimum wage calculation) to Rs. 35.9 lakh, highlighting that **a minor who suffers permanent disability cannot simply be treated as a "non-earning person"**.

## Underlying Barriers

### Divergent Methodologies for Assessing Compensation

The court urged in Gohar Mohammad that "The payment of compensation in a case of death or for damage to the body in a motor accident claim may be based on arithmetical calculation. How far it is just and reasonable, is a matter of satisfaction of the Court by adopting a uniform approach. Therefore in **assessing the compensation uniformity and reasonability are required to be followed. In such cases, dispensation of justice may cause social impact and may delay payment of compensation.**"

Stakeholders point out that courts apply divergent methods. **The Sarla Verma**<sup>38</sup> multipliers (dependency-based) are applied unevenly by state and judge, and some tribunals still refuse any pain and suffering awards. Without standardised approaches, similar injuries may yield very different awards.

Practitioner insights reveal that minimum wage-based calculations often undervalue actual earnings.

#### Advocates consulted claimed that:

"Low-income victims often lack official documents to support income claims. Even if they earn the same salary as high-income individuals, they cannot prove it, so they get classified as unskilled labour and compensated accordingly."

# Equity –

## Disparate Outcomes for Vulnerable Claimants

05



### Evidence

#### Income-Based Variations

Low-income claimants lack financial cushions: a survey found 24% of the LIH respondents had to sell their assets to meet their daily expenses and repay their debt, compared to only 7% of the HIH respondents.<sup>39</sup> The compensation system tends to favour wealthier, urban claimants who have documentation and patience.

#### Death of Chief Wage Earner

Road fatalities are disproportionately higher among male road users. Research documents<sup>39</sup> that the involvement of the primary breadwinner in the crash adversely affects the household's financial status, especially among LIH, forcing asset sales, relocation, and children's educational disruption.

#### Gendered Repercussions

Female-headed households shoulder caregiving and income-generation burdens after male victims' crashes. IndiaSpend's investigative reporting<sup>40</sup> documented how female-primary earners face compounded post-crash vulnerability.

## Underlying Barriers

### Documentation Bias

Sources suggest that informal workers often lack payslips, so courts default to minimum wage, undervaluing LIH income.

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### Regional Asymmetries

Many stakeholders note that compensation amounts differ depending on tribunal and location (urban vs. rural), reflecting inconsistency rather than principled differentiation.

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### Insufficient Targeted Support and Outreach for Marginalised Claimants

Practitioners observe some institutional blind spots; outreach and legal aid often fail to target the most vulnerable, such as the poor or women, effectively.

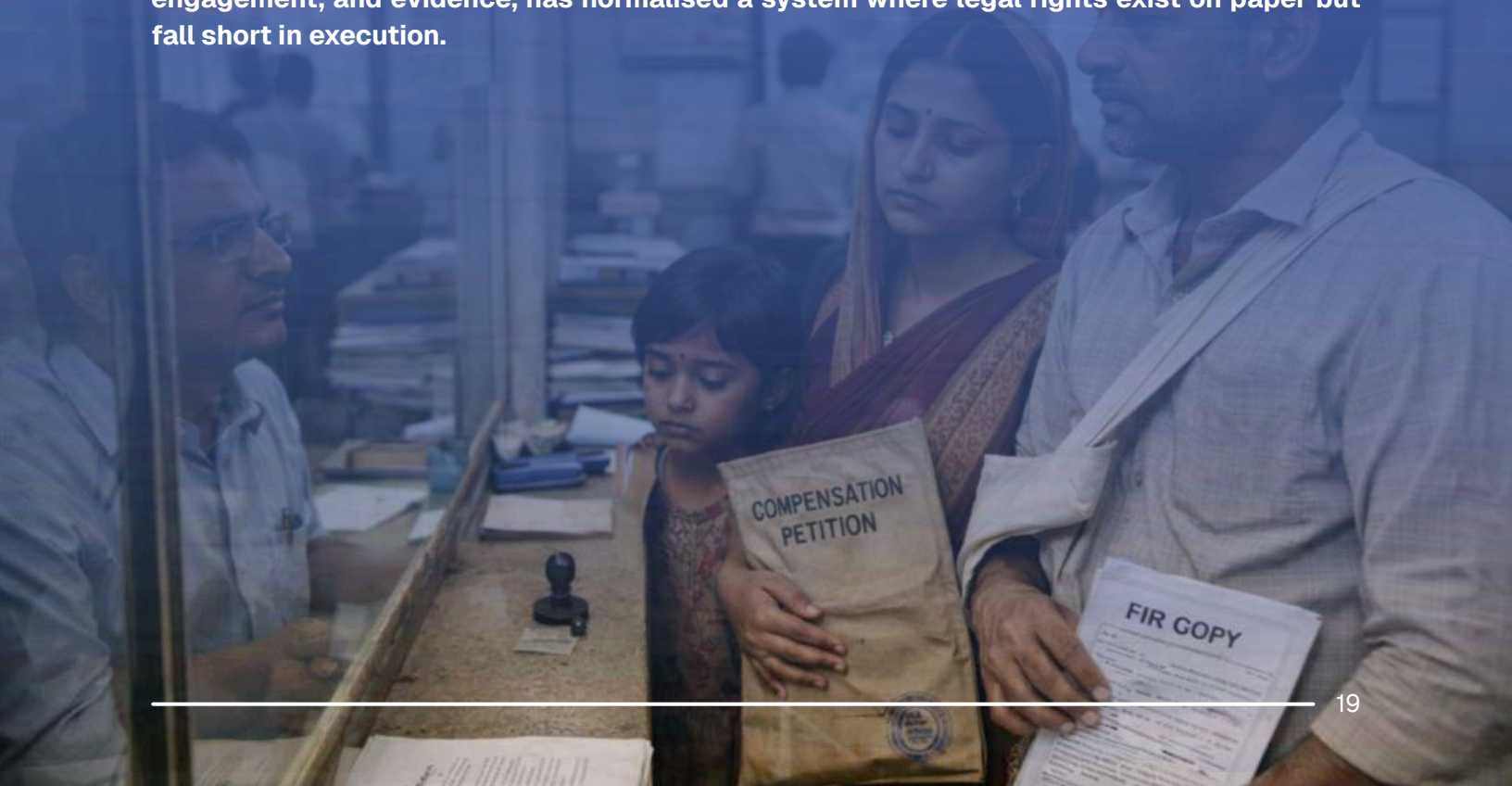


# The Institutional White Space in Post-Crash Justice

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Beyond procedural inefficiencies, India's crash compensation ecosystem suffers from a deeper structural vacuum. There is **minimal civil society engagement** focused specifically on post-crash legal access, leaving victims dependent on informal intermediaries or fragmented legal aid. Government schemes exist, yet there is **no systematic outreach** at hospitals, police stations, or district levels to inform survivors of their entitlements. **Compensation is treated as a downstream legal matter rather than an integrated component of post-crash response.** As a result, awareness remains incidental, navigation support is absent, and accountability is diffused across agencies without clear ownership.

Compounding this is the near-absence of empirical, victim-centered research. While road safety discourse concentrates on prevention and enforcement, little systematic inquiry examines what happens after a crash, particularly how compensation processes unfold in practice. **Administrative data capture filings and awards but do not reveal where and why eligible cases drop off.** The lack of granular, process-tracing research has allowed institutional bottlenecks to persist without scrutiny. **This white space across outreach, civil society engagement, and evidence, has normalised a system where legal rights exist on paper but fall short in execution.**



# Our Research Initiative: Filling The Evidence Gap

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This study seeks to generate the first comprehensive, victim-centred evidence base on the crash compensation system in India. To address the existing knowledge gap, the research focuses on five interlinked areas of inquiry:

Indicator	What We're Measuring
<b>Access and Awareness</b>	Victim knowledge at FIR stage; information channel effectiveness; ambulance-chaser prevalence
<b>Timeliness</b>	Which step of the compensation journey for the claimant causes the maximum delays; average case duration at each stage (FIR → DAR → Insurance award → MACT judgment).
<b>Legal Efficiency</b>	Proportion of cases settled out-of-court (Are cases mostly settled through informal ADR mechanisms like NLAs, does this cause more harm than benefit to the claimants?); is there a documentation burden on claimants (specially those who are not as legally literate); is the compensation amount directly transferred to the bank account of the claimant (As directed by the courts), what is the reason for the high amount of unclaimed funds?
<b>Adequacy</b>	Compensation relative to documented losses; inclusion of non-pecuniary damages; interim relief availability
<b>Equity</b>	LIH vs. HIH disparities; rural-urban gaps; gender-based differences; disability discrimination

# From Research to Reform: Bridging Identified Gaps

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Crashfree India's interventions respond directly to the institutional and victim-side gaps identified in this research. The organisation combines field pilots, digital tools, structured awareness efforts, and stakeholder consultations to test implementable reforms within India's existing compensation framework.

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## 1. Addressing the Awareness Deficit



The research identifies a foundational barrier: most victims do not know compensation pathways exist, nor the procedural steps required to access them.

To address this, Crashfree India has developed a layered awareness and navigation framework:

- **AASHA (Accident Assistance & Support Help Agent):** a 24x7 digital support chatbot that guides victims through immediate post-crash steps, available compensation routes, and required documentation. The platform includes a built-in compensation calculator to provide indicative entitlement estimates, helping counter misinformation and dependence on informal intermediaries.
- **Step-by-step guidebooks** distributed during awareness sessions, providing:
  - A structured overview of the compensation process
  - Document checklists at each procedural stage
  - Emergency and helpline contacts, including DLSA pathways
- **Legal awareness sessions conducted across Delhi-NCR** — including workplaces, schools and drivers' training and education centres — have reached **over 300 individuals**, providing guidance and information.

These interventions standardise information delivery at first contact and reduce procedural opacity for first-time claimants.

## 2. Reducing Valuation Asymmetry and Procedural Friction

Delays and opaque calculation methods often push victims toward premature, undervalued settlements.

Crashfree India has developed a **MACT Compensation Calculator** to provide indicative minimum entitlement benchmarks, strengthening claimants' negotiating position. Expert validation is underway prior to rollout.

Consultations with judicial officers, insurance professionals, police officials, and administrative authorities have identified reporting delays, documentary bottlenecks, and weak digital integration as recurring constraints.

These findings inform recommendations focused on:

- Procedural simplification
- Compliance monitoring
- Integration between accident reporting and insurance claims systems
- Institutional capacity strengthening

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## 3. Institutionalising Early-Stage Legal Support



Hospitals and police stations, the earliest institutional touch points, rarely provide structured compensation guidance in practice.

Crashfree India set up **legal helpdesks right at the emergency wards of trauma centres**, to intervene at the point of immediate medical care and assist road crash victims with early-stage claim navigation. Staffed with lawyers and paralegal volunteers, **over a 100 individuals** across the 4 days of operationalisation of the helpdesk were provided legal support. The helpdesk model is designed to reduce dependency on commission-based intermediaries while supporting procedural compliance without expanding investigative burdens on police authorities.

Under the Road Crash Claim Compensation initiative:

- 300+ individuals reached through awareness interventions
- 100+ crash victims directly engaged through pilot interactions to document procedural barriers and provide case-level assistance
- Multi-stakeholder consultations conducted across police, judiciary, and insurance actors to address implementation bottlenecks

These quantified outcomes demonstrate both demand for facilitated navigation and the feasibility of embedding support within first-contact institutions.

## 4. Human-Centred Communication and Public Education

Recognising literacy and legal complexity barriers, Crashfree India has also developed **comicbooks, video explainers and community-facing content**. The intent is to educate communities on their post-crash compensation rights in simplified, accessible communication formats, and to translate procedural law into usable knowledge for low-income households.

These efforts aim to ensure that compensation awareness is not confined to urban legal ecosystems but becomes intelligible at the community level.

### Institutional Value Proposition

Crashfree India's contribution lies not in advocacy alone, but in integrating:

- Victim-side field research
- Institutional stakeholder engagement
- Digital public infrastructure tools
- On-ground legal facilitation models

into a coherent reform framework.

## Reform Architecture (Summary)

Identified System Constraint → Targeted Intervention

System Gap	Reform Response
Low awareness of compensation rights	24x7 AASHA chatbot + structured guidebooks + legal awareness sessions (300+ individuals reached)
Information asymmetry in compensation valuation	MACT Compensation Calculator providing indicative minimum entitlement estimates
Absence of structured early-stage facilitation	Hospital-based legal helpdesks + 100+ victim pilot engagements
Fragmented institutional coordination	Multi-stakeholder consultations across judiciary, insurance, police, and administrative authorities

# Next Steps

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While expert consultations provide institutional insights, victims themselves remain unheard. Our next phase involves surveying over 300 crash victims/families across Delhi-NCR to understand:

**At what moment did you learn about compensation?**

(FIR filing? Hospital discharge? Months later? Never?)

**How long did your claim take?**

(If you filed, what was the actual timeline at each stage?)

**Who guided you through the process?**

(Police? Hospital? Lawyer? Middleman? No one?)

**Was compensation adequate?**

(Did it cover your documented losses? Were non-financial losses considered?)

**What barriers prevented you from filing?**

(Documentation? Cost? Complexity? Distance? Unawareness?)

**Did your income level, location, or gender affect your experience?**

(Equity assessment)

**Victims' perspectives matter.** Documenting experiences of victims will help figure out which institutional touchpoints fail them the most (police, hospital, tribunal), what information format would have helped, what specific support would have changed their outcome (Interim relief measures? Legal aid?), and so on.



## Appendix

### Expert Consultations Conducted (October–December 2025)

To ground our research in practitioner insights, we conducted semi-structured consultations with 20+ experts across five stakeholder categories (October–December 2025). To protect confidentiality where requested, we have anonymised individual names while identifying institutional affiliations and roles.

#### Judiciary and Policy Leadership

- Justice J.R. Midha (Retd.), architect of Delhi's FastDAR system
- Police leadership from NCR region including Gurugram Police Commissionerate
- State road safety and transport officials

#### Insurance Sector

- Arvind Shenoy, Ex-Consultant and Technical Advisor, Motor and Legal, General Insurance Council (GIC)
- Senior executives from the General Insurance Council
- Claims management professionals from major third-party insurers (IFFCO Tokio, New India Assurance, GIC)
- Insurance surveyors with field-level claims experience

#### Legal Profession

- Mishika Singh, Advocate and Founder - Neev Foundation for Legal Aid
- Sanchit Seth, Advocate
- Amarjeet Singh Panghal, Advocate and Founder - Public Right Action Network
- Motor Accident Claims Tribunal advocates with 10+ years of practice experience
- Supreme Court and High Court advocates specialising in tort and motor accident law
- Legal aid professionals and founders of victim assistance organisations
- Public policy lawyers focused on road safety and social protection

#### Institutional and Government

- District Legal Services Authority (DLSA) officials from NCR regions
- Motor insurance surveyors and loss assessors
- Government officials from transport and road safety departments

These consultations informed our understanding of implementation gaps, stakeholder perspectives on barriers to claim filing, and institutional constraints limiting victim access to compensation.

Note on Confidentiality: Several experts requested anonymity to protect organisational confidentiality and candid institutional critique. Their insights have been incorporated throughout this brief with anonymised attribution.

## India's Road Crash Compensation Framework: Pathways For Victims

### Eligibility Criteria:

- Person injured
- Legal representatives of deceased (broadly defined to include anyone financially dependent or emotionally dependent on the deceased, including extended family members per recent judgments)

### 1. Hit-and-Run Compensation Scheme

#### Legal Basis:

- Section 145(d), Motor Vehicles Act, 1988 (defines hit-and-run cases)
- Compensation to Victims of Hit and Run Motor Vehicles Accidents Scheme, 2022 (came into force: April 1, 2023)

#### What It Covers:

This scheme applies when the offending vehicle cannot be identified despite police efforts to trace it. Compensation is provided on a no-fault basis, meaning the victim need not prove negligence.

#### Compensation Amounts:

- Death: ₹2 lakh per person
- Grievous injury: ₹50,000 per person

#### Implementing Agencies:

- **Claims Enquiry Officer (CEO):** Officer not below the rank of Tehsildar or Sub-Divisional Officer (SDO), as designated by the State Government. The CEO is responsible for:

- Receiving claim applications (Form I)
- Conducting inquiry and submitting findings within 1 month
- Making recommendations on eligibility
- **Claims Settlement Commissioner:** Passes sanction order within 15 days of receiving the CEO's inquiry report
- **General Insurance Council:** Disburses compensation within 15 days of sanction order
- **District Legal Services Authority (DLSA):** Assists victims in filing claims and monitors scheme implementation through District Monitoring Committees

#### **Filing Process:**

- Claimants file applications (Form I) with the CEO in the area where the crash occurred
- Timeline: No limitation period prescribed; claim can be filed at any time
- Supreme Court directions (S. Rajasekaran v. Union of India, January 2024) mandate:
  - Police must notify victims/legal heirs of the CEO's contact within 1 month if vehicle cannot be traced
  - If claim not received within 1 month of police notification, CEO must inform DLSA for victim assistance
  - District Monitoring Committees (including CEO, DLSA Secretary, and Police) meet every 2 months for compliance tracking

#### **Required Documents:**

- Bank account details (passbook copy with account no., IFSC code)
- Cashless treatment bills (if hospitalised)
- Identity and address proof (victim and claimant)
- Police FIR
- Post-mortem report (in death cases)
- Death certificate or injury report (as applicable)

## **2. No-Fault Liability Compensation**

#### **Legal Basis:**

- Section 164, Motor Vehicles Act, 1988 (as amended in 2019)

#### **What It Covers:**

This mechanism provides fixed compensation to crash victims without requiring proof of negligence. It applies to crashes where the offending vehicle has been identified but establishing fault is not necessary for compensation eligibility.

### **Compensation Amounts (Standard):**

- Death: ₹5 lakh
- Grievous injury: ₹2.5 lakh

### **3. Fault-Based Compensation**

#### **Legal Basis:**

- Section 166, Motor Vehicles Act, 1988 (primary provision for fault-based claims)

#### **What It Covers:**

This route applies when claimants seek compensation based on proof of negligence or wrongful act by the vehicle owner/driver. Compensation is not limited to fixed amounts but determined based on actual losses and judicial assessment.

#### **How It Differs from No-Fault Liability:**

- Claimants must prove fault/negligence of defendant
- Compensation amounts are not pre-determined; they are assessed based on documented losses and victim circumstances
- Courts have discretion to award non-pecuniary damages (pain, suffering, trauma)

#### **Implementing Agencies for Fault and No-Fault Compensation:**

- **Motor Accident Claims Tribunals (MACTs):** Judicial bodies established to adjudicate motor crash compensation claims
  - Presided over by judges or designated officers
  - Located at district levels nationwide
  - Responsibility: Hear claims, determine eligibility, pass awards, and ensure direct bank transfer of compensation.
- **High Courts and Supreme Court:** Appellate bodies that can enhance awards if tribunals undercalculate compensation
- **Police:** File FIR, and help operationalise the Fast Digital Accident Reporting (DAR) documentation and First Accident Reports (FAR) to facilitate claim processing.
- **Insurance Companies:** Third-party motor insurance carriers responsible for indemnifying vehicle owners and disbursing compensation as directed by MACT.
- **Legal Services Authorities:** Provide free legal aid to eligible claimants.

#### **Filing Process:**

- Claimant files petition under Section 166 or 164 before MACT
- Jurisdiction determined by: crash location, claimant residence, or defendant residence

## **Compensation Assessment Framework:**

Courts apply the Sarla Verma multiplier method (landmark case Sarla Verma v. DTC and Others, reinforced in recent judgments) to determine dependency-based compensation in fatal cases. Non-fatal injury compensation considers:

- Loss of earning capacity
- Medical expenses
- Rehabilitation costs
- Non-pecuniary losses (increasingly recognised)

## **Recent Judicial Directives on Compensation Disbursement (2025):**

As per Supreme Court directions (In Re: Compensation Amounts Deposited with MACTs and Labour Courts, 2025):

- Claimants must provide their verified bank details at the time of filing their claims. The compensation amount must be transferred directly to the claimant's verified bank account upon award.
- The amount is to be held in fixed deposits if deposited with the tribunal. This ensures claimants don't lose interest income during withdrawal delays.
- It can be withdrawn by the claimants through a formal application.
- Legal Services Authorities are to trace claimants with unclaimed deposits.
- The SC directed the development of a national dashboard (via the e-Courts project) displaying total compensation amounts deposited with MACTs (district-wise), and details of claimants and case status. This would help ensure regular updates on disbursement progress.

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