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THE GAUHATI HIGH COURT
(HIGH COURT OF ASSAM, NAGALAND, MIZORAM AND ARUNACHAL PRADESH)

Case No. : MACApp./49/2016

SMT ANITA CHANDA and 2 ORS
W/O LATE RANJIT KUMAR CHANDA

2: MISS RESHMI CHANDA

D/O LATE RANJIT KUMAR CHANDA

3: MASTER ADITYA CHANDA

S/O LATE RANJIT KUMAR CHANDA
CLAIMANT NO. 3 IS MINOR
HE IS REPRESENTED BY HIS MOTHER
GUARDIAN AND NEXT FRIEND SMTI ANITA CHANDA
ALL RESIDENTS OF BIRUBARI
GOPINATH NAGAR
GUWAHATI 781016
DIST. KAMRUP M
ASSAM

VERSUS

M/S M.K.D. CARRYING CORPORATION and 4 ORS
HAVING ITS OFFICE AT NH-37, GALI NO. 7, WARD NO. 56 BELTOLA ,
GUWAHATI 781028, DIST. KAMRUP M, ASSAM.

2:MR.MOHAMMAD ALI
S/O MD. KHURSED ALI
R/O NATIONAL HIGHWAY 31
NEAR ASSAM KATA
GUWAHATI 781029
DIST. KAMRUP M
ASSAM.

3:UNITED INDIA INSURANCE CO. LTD.

HAVING ITS REGISTERED / HEAD OFFICE AT UNITED INDIA HOUSE
24 WHITES ROAD
CHENNAI AND REGIONAL
DIVISIONAL AND BRANCH OFFICES AT SEVERAL PLACES
INCLUDING THE CONCERNED BRANCH OFFICE BEING FANCY BAZAR
BRANCH AT FANCY BAZAR
GUWAHATI 781001 IN THE DIST. OF KAMRUP M
ASSAM.

4:NORESH KUMAR DAS

S/O SRI H.K. DAS
R/O DEMSEINIONG
LAITUMKHRAH
DIST. EAST KHASI HILL
SHILLONG 793003 MEGHALAYA

5:NATIONAL INSURANCE CO.
HAVING ITS REGISTERED / HEAD OFFICE AT 3
MIDDLETON STREET
KOLKATA 700071 AND REGIONAL
DIVISIONAL AND BRANCH OFFICES AT SEVERAL PLACES
INCLUDING THE CONCERNED DIVISIONAL OFFICE BEING DIVISION NO. 10
FLAT NO. 101-106
NI
B.M.C. HOUSE
CONNAUGHT PLACE
NEW DELHI-11000

B E F O R E

HON'BLE MR. JUSTICE SANJAY KUMAR MEDHI

Advocate for the Appellants : Shri B.K. Jain, Advocate.

Advocates for the respondents : Shri A.J. Saikia (R-3)

Ms. R.D. Mozumdar (R-5).

Date on which judgment is reserved : **06.10.2026**

Date of pronouncement of judgment : **04.11.2026**

Whether the pronouncement is of the operative part of the judgment? : NA
Whether the full judgment has been pronounced? : Yes

JUDGMENT & ORDER

The instant appeal has been preferred under Section 173 of the Motor Vehicles Act, 1988 in respect of a judgment and Order dated 14.10.2025 passed by the learned MACT, Kamrup (M) in MAC Case No. 493/2011. The appeal has been filed for enhancement of the Award.

2. Before coming to the grounds of appeal, it would be convenient to put on record the facts of the case in brief.

3. The appellants (herein after interchangeably referred as claimants) are the legal heirs of the deceased Ranjit Kr. Chanda who had expired in a motor accident occurring on 22.11.2010. While the claimant no. 1 is the wife, the claimant nos. 2 and 3 are the children of the deceased. On the fateful day, the deceased along with 4 others was proceeding from Silchar to Guwahati in an Alto Car bearing Registration No. ML05G1996 and on reaching Mawmang, a truck bearing Registration No. AS01BC7881 coming from the opposite side in a rash and negligent manner lost control over the vehicle and dashed against the Alto Car in which the deceased passed away. The deceased was a Senior Accounts Officer of the Assam State Transport Corporation (ASTC) and his monthly salary was Rs.22,380/- (Rupees Twenty Two Thousand Three Hundred Eighty) only. Accordingly, a claim of Rs.40,00,000/- (Rupees Forty Lakh) only was made.

4. The claim was resisted by the Insurance Company. While there was no denial to the insurance coverage of the offending truck, the income of the deceased as well as the occurrence was denied. It was also contended that the claim was excessive.The owner of the Alto vehicle also filed written statement

and had pleaded that the accident was a result of negligent driving of the truck and he should be exonerated from the burden of payment of compensation.

5. The following issues were framed by the learned Tribunal:

i. *Whether there was an accident on 22.11.2010 involving Tata Truck bearing registration No. AS-01-BC-7881 as alleged?*

ii. Whether late Ranjit Kr. Chanda died in the said accident?

iii. Whether the accident occurred due to rash and negligent driving of the driver of the vehicle no. AS-01-BC-7881?

iv. To what compensation the claimants are entitled to and against whom?

6. The claimants had adduced evidence through 2 (two) nos. of witnesses and had also exhibited the relevant documents. On the other hand, the opposite parties did not adduce any evidence.

7. The learned Tribunal had answered all the issues in favour of the claimants. However, so far as Issue No. 4 which is on the amount of compensation, a total amount of Rs.32,27,696/- (Rupees Thirty Two Lakhs Twenty Seven Thousand Six Hundred Ninety Six) only was awarded with interest @ 6% per annum from the date of adducing evidence. The aforesaid amount was arrived at by the learned Tribunal in the following manner:

Loss of dependency – 2, 30, 592 x 13	Rs.29,97,696/-
Loss of consortium	Rs.1,00,000/-
Loss of love and affection to minor children	Rs.1,00,000/-
Funeral expenses	Rs.25,000/-
Loss of estate	Rs.5,000/-

TOTAL	Rs.32,27,696/-

8. Being aggrieved by the adequacy of the aforesaid Award including the aspect of interest, the present appeal has been preferred.

9. I have heard Shri B.K. Jain, learned counsel for the petitioner. I have also heard Shri A.J. Saikia, learned counsel for the respondent no. 3 and Ms. R.D. Mozumdar, learned counsel for the respondent no. 5.

10. Shri Jain, the learned counsel for the appellants / claimants has submitted that the learned Tribunal has failed to take into consideration the evidence on record, more specifically, the evidence of PW2-Sirajul Hoque who was an Accounts Officer of the ASTC- the employer of the deceased. It is submitted that the learned Tribunal had overlooked the aspect of Dearness Allowance (hereinafter DA) while computing the monthly salary of the deceased resulting in arriving at a lesser award. He has submitted that PW2 had exhibited the Salary Certificate and also the salary particulars. He has submitted that while the learned Tribunal had taken the monthly salary as Rs.22,380/- (Rupees Twenty Two Thousand Three Hundred Eighty) only with a deduction of Rs.208/- (Rupees Two Hundred Eight) only per month as professional tax, the DA aspect was not taken into consideration. He has submitted that DA is part of the monthly salary which was liable to be taken into consideration.

11. The learned counsel has also submitted that the rate of interest as well as the date from which such interest is to be calculated is also not in accordance with law. He has submitted that while 6% interest per annum is granted, the standard norm is 9% per annum. He has also submitted that such interest is to be granted from the date of filing of the claim petition whereas in the instant case, the interest has been granted from the date of adducing evidence. In this

regard, the learned counsel has relied upon the following judgments:

(i) (2015) 14 SCC 353 (Narendra Singh vs. Nishant Sharma and Anr.)

(ii) 2022 (6) GLT 89 (New India Assurance Company Ltd. vs. Lata Agarwala and Ors.)

(iii) 2023 (6) GLT 523 (Branch Manager, Cholaman-Dalam vs. Jitu Bura Gohain)

12. In the case of ***Narendra*** (supra), interest was granted @ 9% per annum and reliance was placed in the judgment of the Hon'ble Supreme Court in the Upahar Cinema Case. A similar view was taken by our High Court in the case of ***Lata*** (supra) as well as ***Jitu Bura Gohain*** (supra).

13. The learned counsel has also cited the judgment of a Division Bench of this High Court in the case of ***Aswini Bala Das vs. New India Insurance Company Ltd.*** reported in ***1999 (2) GLT 231*** wherein it was held that it would be an unjust approach if the claimants are deprived of interest from the date of application.

14. On the claim that the income assessed by the learned Tribunal is less and unjust, the learned counsel for the appellant has relied upon the judgment of this Court in the case of ***Ms. Binita Baruah Phukan vs. Ajit Borah*** reported in ***(2019) 5 GLR 686***. In the said case, it has been held that other allowances apart from the basic salary should be considered in the monthly income. He has submitted that the learned Tribunal has erred in not considering the DA while computing the monthly income of the deceased.

15. Shri Jain, the learned counsel for the appellant accordingly submits that

the Award needs to be enhanced.

16. *Per contra*, Shri A.J. Saikia, learned counsel for the respondent – Insurance Company has resisted the prayer for enhancement of the Award. He has submitted that the monthly income was correctly assessed by the learned Tribunal as Rs.22,172/- (Rupees Twenty Two Thousand One Hundred Seventy Two) only. The learned Tribunal has also added future prospect as 30% and has accordingly come to a figure of Rs.28,824/- (Rupees Twenty Eight Thousand Eight Hundred Twenty Four) only.

17. So far as the contention made on the rate of interest is concerned, the learned counsel has submitted that no particular rate has been provided in the statute and it is the discretion of the learned Tribunal. He accordingly submits that there may not be any requirement to interfere with the same as 6% per annum is a reasonable rate of interest.

18. With regard to the date from which the interest has been granted *viz* the date of adducing evidence, Shri Saikia, the learned counsel has taken a similar stand as taken with regard to the rate of interest. He has submitted that in absence of any provision in the statute, grant of interest from the date of adducing evidence may not be held as an unreasonable approach.

19. The rival submissions have been duly considered and the materials placed before this Court have been carefully perused. This Court has also gone through the original records of the learned Tribunal.

20. The principal ground urged in support of the prayer for enhancement is that the monthly income has not been properly taken into consideration by the learned Tribunal. It is the specific case of the appellant that the DA has not been added to the gross income resulting in deprivation from the lawful

entitlement. As noted above, reliance has also been placed on certain decisions that DA is to be taken as a part of the salary.

21. To examine the aforesaid claim, it would be necessary to sift the materials on record including the evidence, especially of the PW2 who is an Accounts Officer of the ASTC- the employer of the deceased. The said PW2 has exhibited the Salary Statement of the deceased as Ext.10. A perusal of the same would reveal that the deceased was drawing a monthly salary of Rs.22,380/- (Rupees Twenty Two Thousand Three Hundred Eighty) only from October 2010. In the said Certificate, there was also a deduction separately shown on different heads amounting to Rs.5,627/- (Rupees Five Thousand Six Hundred Twenty Seven). A further salary slip for the month of November, 2010 has been exhibited which however is for 21 days as the death was on 22.11.2010 and the calculation was done by taking the salary of the same amount of Rs.22,380/- (Rupees Twenty Two Thousand Three Hundred Eighty). The salary particulars of the deceased from December, 2010 to June, 2013 has been exhibited as Ext.12. The said document however specially mentions that such salary particulars was for the aforesaid period if the deceased would have survived and only from the month of December, 2010, the ingredient of DA has been introduced. It clearly appears that the claim is based on Ext. 12. However, as mentioned above, Ext.12 is on a speculation if the deceased would have been alive. On the contrary, the materials on record in the form of a Salary Statement clearly shows that no DA was separately calculated and the monthly income was shown as Rs.22,380/- (Rupees Twenty Two Thousand Three Hundred Eighty) which the learned Tribunal has correctly taken.

22. There is no dispute to the proposition that DA should be taken to be a part of the salary in which regard, the learned counsel for the appellant had

placed reliance upon a no. of judgments including the case of ***Ms. Binita Baruah Phukan*** (supra). However, in the instant case, the documentary evidence is contrary to the aforesaid prayer for enhancement. This Court is of the opinion that in absence of any materials, such claim cannot be presumed only on the basis of speculation, as provided by Ext.12. The ratio of the judgments cited in this regard shall not be applicable in the facts of the present case.

23. So far as the rate of interest is concerned, the learned Tribunal has granted interest @ of 6% per annum. Though, as contended by the learned counsel for the Insurance Company, no particular rate has been provided in the MV Act, the judicial precedentsare in the line that 9% per annum interest has been held to be reasonable. The Hon'ble Supreme Court in the case of ***Narendra*** (supra), by following the principles laid down in the earlier case of ***Upahar Cinema*** has held 9% per annum interest to be a reasonable rate. This High Court in the case of ***Lata*** (supra) has also held 9% per annum to be a reasonable rate of interest.

24. In this regard, this Court would take aid from certain observations and opinion expressed by the Hon'ble Supreme Court in the case of ***Puttamma and Others v. K.L. Narayana Reddy and Another*** reported in ***(2013) 15 SCC45*** which are as follows:

> "*59. This Court in Kaushnuma Begum v. New India Assurance Co. Ltd. & Ors. (2001) 2 SCC 9 noticed that the Nationalized Banks are granting interest @ 9% on fixed deposit for one year and held as follows:*
>
> > "*24. Now, we have to fix up the rate of interest. Section 171 of the MV Act empowers the Tribunal to direct that "in addition to the amount of compensation simple interest shall also be paid at such rate and from such date not earlier than the date of making the*

claim as may be specified in this behalf". Earlier, 12% was found to be the reasonable rate of simple interest. With a change in economy and the policy of Reserve Bank of India the interest rate has been lowered. The nationalised banks are now granting interest at the rate of 9% on fixed deposits for one year. We, therefore, direct that the compensation amount fixed hereinbefore shall bear interest at the rate of 9% per annum from the date of the claim made by the appellants. The amount of Rs 50,000 paid by the Insurance Company under Section 140 shall be deducted from the principal amount as on the date of its payment, and interest would be recalculated on the balance amount of the principal sum from such date."

60. This Court in Abati Bezbaruah v. Deputy Director General, Geological Survey of India &Anr. (2003) 3 SCC 148 noticed that varying rate of interest is being awarded by the Tribunals, High Courts and this Court. In the said case, this Court held that the rate of interest must be just and reasonable depending on the facts and circumstances of the case and should be decided after taking into consideration relevant factors like inflation, change in economy, policy being adopted by the Reserve Bank of India from time to time, how long the case is pending, loss of enjoyment of life etc.

61. In Supe Dei v. National Insurance Co. Ltd.&Anr. (2009) 4 SCC 513 this Court held that proper interest would be 9% per annum.

62. In view of the aforesaid provisions of the Act, 1988 (Section 171) and the observation of this Court, as noticed above, we keep this question open for Tribunals and Courts to decide the rate of interest after taking into consideration the rate of interest allowed by this Court in similar case and other factors such as inflation, change in economy, policy adopted by the Reserve Bank of India from time to time and the period since when the case is pending."

25. From the aforesaid discussion, this Court is of the opinion that rate of interest should be 9% per annum and not 6% per annum, as granted by the learned Tribunal.

26. As regards the date from which such interest has been granted, this Court finds force in the argument advanced by the learned counsel for the appellant that such date should be the date of filing the claim petition. The judicial precedents also support the aforesaid contention. Further, there is no material on record to suggest that the proceeding was unnecessarily delayed by the claimants. Therefore, the direction of the learned Tribunal of calculating the interest from the date of adducing evidence stands interfered with and such interest is to be calculated from the date of filing of the claim petition.

27. The learned counsel for the appellant had also made submission on the aspect of loss of consortium in which there is an award of Rs.1,00,000/- (Rupees One Lakh) only. It is contended that consortium has been laid down to be Rs.40,000/- (Rupees Forty Thousand) only per head and there being three claimants, the same would be Rs.1,20,000/- (Rupees One Lakh Twenty Thousand) only with a further increase @ 10% after every 3 years. However, it is noticed that the learned Tribunal has also granted an amount of Rs.1,00,000/- (Rupees One Lakh) only under the head - "Loss of love and affection to minor children". As per the principles laid down by the Three Judges Bench of the Hon'ble Supreme Court in the landmark case of ***National Insurance Company Ltd. v. Pranay Sethi*** reported in ***(2017) 16 SCC 680*** such Head is not contemplated. This Court is however of the opinion that the said Head can be treated to be in the nature of consortium. By balancing, this Court is of the opinion that interference on the above Head may not be to the interest of the appellants -claimants and therefore, the amounts granted under the aforesaid Heads are not touched.

28. Similarly, while for funeral expenses, as per the principles laid down, the amount prescribed is Rs.15,000/- (Rupees Fifteen Thousand) only, the learned

Tribunal has granted Rs.25,000/- (Rupees Twenty Five Thousand) only, for Loss of Estate, while the amount prescribed is Rs.15,000/- (Rupees Fifteen Thousand) only, the amount granted is Rs.5000/- (Rupees Five Thousand) only. Therefore, any interference on the amount on the aforesaid two Heads would not make any substantial difference in the total amount.

29. In the conspectus of the aforesaid discussion, the appeal succeeds only on the two aspects of rate of interest and the date from which such interest is to be reckoned. It is accordingly directed that while the other aspects of the impugned award would remain intact, the rate of interest would be 9% per annum which is to be calculated from the date of filing of the claim petition.

30. The respondent no.3 i.e., United India Insurance Company is accordingly directed to pay the balance amount to the appellants in terms of the present judgment expeditiously and preferably within a period of 45 days from today. In case such amount is not deposited within the stipulated time, further interest @ 9% would accrue.

31. The appeal partly succeeds.

32. Send back the TCRs.

JUDGE

Comparing Assistant