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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**

% ***Date of decision: 14th May 2026***

\+ **MAC.APP. 315/2026, CM APPL. 32461/2026, CM APPL. 32462/2026, CM APPL. 32463/2026**

THE ORIENTAL INSURANCE CO LTD .....Appellant

Through: Mr. Vikas Gupta, Ms. Payal Rani, Advocates.

versus

MANORAMA SINGH & ORS .....Respondents

Through: Mr. Pankaj Gupta, Mr. Akash Singh, Ms. Divyanshi Sharma, Mr. Vikas Kumar, Advocates.

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\+ **MAC.APP. 316/2026, CM APPL. 32465/2026 CM APPL. 32466/2026 CM APPL. 32467/2026**

THE ORIENTAL INSURANCE. CO. LTD. .....Appellant

Through: Mr. Vikas Gupta, Ms. Payal Rani, Advocates.

versus

SAROJ SINGH & ANR. .....Respondents

Through: Mr. Pankaj Gupta, Mr. Akash Singh, Ms. Divyanshi Sharma, Mr. Vikas Kumar, Advocates.

CORAM:
HON'BLE MR. JUSTICE ANISH DAYAL

JUDGMENT

ANISH DAYAL, J (ORAL)

1. These appeals have been filed by the Insurance Company challenging

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the impugned awards dated 29th January 2026 passed by the Motor Accident Claims Tribunal, Tis Hazari Courts, Delhi ('***MACT***') in MACT No. 429/2024 and MACT No.430/2024. Both the appeals relate to impugned awards of the MACT, whereby compensation of *Rs. 40,32,890*/- along with interest @ *9%* per annum was granted to the legal representatives of the deceased, *Avinash Singh*, and compensation of *Rs. 40,86,130*/- along with interest @ *9%* per annum was awarded to the legal representative of deceased, *Piyush Chauhan*.

2. The accident occurred on 18th May 2024 at about 02.15 a.m., when both the deceased were going towards *ITO, New Delhi*, from *Kashmere Gate* on their motorcycle bearing registration no. DL-3SEY-0614, which was being driven by *Piyush Chauhan*. When they reached near *Hanuman Mandir, Flyover Ring Road, Kashmere Gate,* the offending vehicle bearing registration no. HR-73A-8155, driven by respondent no.6 and owned by respondent no.7, crashed into the motorcycle from behind.

3. Both *Piyush Chauhan* and *Avinash Singh* fell on the road. The offending truck allegedly ran over them, dragging them for some distance. They were taken to the trauma centre, where they were declared '*brought dead*'.

4. Petitions claiming compensation were thereafter filed before the MACT. The MACT held that the accident had occurred due to the negligence of the driver of the offending truck.

5. On the issue of compensation, *Mr. Vikas Gupta*, counsel for appellant/Insurance Company, contends that the notional income was assessed at *Rs. 25,000/-* per month, which was above the minimum wages prescribed for a graduate. He further contends that since *Avinash Singh* was not even admitted to any graduation course, the question of applying

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minimum wages of a graduate does not arise, and notional income ought to have been considered at minimum wages of an intermediate pass. As regards *Piyush Chauhan*, it is contended that he was only in the first year of his graduation course and, therefore, minimum wages of a graduate should not have been considered.

6. Moreover, he contends that the MACT has clearly stated in *paragraph no.31* of the impugned award that, based on the marksheets of *Piyush Chauhan*, it cannot be said that he was a brilliant student. Despite this, *Rs.25,000*/- per month was taken as notional income on the basis of an assertion that he was employed as an Office Assistant in *M/s Freshco Facilities* and was earning *Rs.25,000*/- per month.

7. It is noted that the MACT has taken notional income at *Rs.25,000*/- per month in both cases on the basis that *Avinash Singh* was working as an Office Assistant in *M/s Freshco Facilities*, while *Piyush Chauhan* was working as a Computer Operator in *M/s Freshco Facilities* and as a tutor at *M/s Chauhan Tuition Centre*.

8. Considering that no evidence was placed on record in support of such employment or income for either of the deceased, the issue before the Court is whether *Rs.25,000*/- per month ought to have been taken as their income, as opposed to minimum wages.

9. *Mr. Pankaj Gupta*, counsel for the claimants, states that, notwithstanding there was no evidence on record, the potentiality of income of two students, who were either in the first year of graduation or would have enrolled in a graduation program, ought to have been considered while determining their notional income.

10. The Courts have repeatedly held, in cases of students, that potentiality

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of income needs to be considered as a basis for assessing notional income. The said decisions are noted as under:

10.1. In the case of ***S. Mohammed Hakkim v. National Insurance Co. Ltd***., while dealing with a case where the claimant, who was 20-year-old engineering student who suffered amputation of his left leg in a motor accident, increased notional income from Rs. 15,000/- per month to Rs. 20,000/- per month on basis that the injured was a 20-year-old third-year engineering student with strong future earning potential. Reliance was placed by the Court on ***Navjot Singh v. Harpreet Singh*** (2025) 10 SCC 263, where the Court had recognised that engineering students could reasonably secure employment with salaries of at least Rs. 20,000 per month.

10.2. In ***New India Assurance Co. Ltd. v. Dilip Kumar*** 2018 SCC OnLine Del 9263, this Court dealt with the case of a 22-year-old B.Sc. (Nautical Science) student who suffered 100% disability, and remained bedridden for over two years, and ultimately passed away. The Court noted that the deceased had nearly completed his professional maritime training, was earning a stipend of *Rs. 10,000* per month, and had promising career prospects in the Merchant Navy. While the claims Tribunal assessed his earning capacity at *Rs. 40,000*/- per month, the High Court found this to be excessive and fixed his prospective monthly income at *Rs. 25,500*, considering his future employment potential as a fresh graduate.

11. Therefore, on the basis of the principles enunciated in decisions above, the Court is of the view that even though there was no evidence that either of the deceased was earning *Rs. 25,000*/- per month, the minimum wages of a graduate, i.e. *Rs. 23,732/-* per month, ought to have been considered as the benchmark income for the purpose of calculating *loss of dependency*.

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12. Considering that both the deceased were below 40 years of age, *future prospects* at *40%* and *multiplier* of '*18*', as applied by the MACT, are upheld. Since both the deceased were bachelors, *personal* and *living* expenses were deducted at *50%.*

13. The revised compensation in both these cases is computed as under:

Computation of compensation in case of deceased Avinash Singh			
Sr. No.	**Heads**	**Awarded by the Tribunal**	**Awarded by the Court**
1.	Monthly income of the deceased (A)	Rs. 25,000/-	Rs. 23,732/-
2.	Add-Future Prospects (B)	40% of Rs. 25,000/- = Rs. 10,000/-	40% of Rs. 23,732/- = Rs. 9,492.80/-
3.	Less-personal expenses of the deceased (C)	1/2 of Rs. 35,000/- = Rs. 17,500/-	1/2 of Rs. 33,224.80/- = Rs. 16,612.4
4.	Annual loss of dependency [(A+B) - C] x 12= D]	Rs. 2,10,000/-	Rs. 1,99,348.80/-
5.	Multiplier (E)	18	18
6.	Total loss of dependency (D x E) = (F)	Rs.37,80,000/-	Rs. 35,88,278.40/-
7.	Compensation for loss of love and affection (G)	Nil	Nil
8.	Compensation for loss of consortium (H)	Rs. 53,240/- x 4 = Rs. 2,12,960/-	Rs. 53,240/- x 4 = Rs. 2,12,960/-
9.	Compensation for loss of estate (I)	Rs. 19,965/-	Rs. 19,965/-
10.	Compensation towards funeral expenses (J)	Rs. 19,965/-	Rs. 19,965/-
11.	Total Compensation (F+G+H+I+J = K)	Rs. 40,32,890/-	Rs. 38,41,168.40/-
12.	Interest Awarded	9% per annum	9% per annum
13.	Reduced Compensation	**Rs. 1,91,721.60/- rounded to Rs. 1,91,721/-**	

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Computation of compensation in case of deceased Piyush Chauhan			
Sr. No.	**Heads**	**Awarded by the Tribunal**	**Awarded by the Court**
1.	Monthly income of the deceased (A)	Rs. 25,000/-	Rs. 23,732/-
2.	Add-Future Prospects (B)	40% of Rs. 25,000/- = Rs. 10,000/-	40% of Rs. 23,732/- = Rs. 9,492.80/-
3.	Less-personal expenses of the deceased (C)	1/2 of Rs. 35,000/- = Rs. 17,500/-	1/2 of Rs. 33,224.80/- = Rs. 16,612.4
4.	Annual loss of dependency [(A+B) - C] x 12= D]	Rs. 2,10,000/-	Rs. 1,99,348.80/-
5.	Multiplier (E)	18	18
6.	Total loss of dependency (D x E) = (F)	Rs.37,80,000/-	Rs. 35,88,278.40/-
7.	Compensation for loss of love and affection (G)	Nil	Nil
8.	Compensation for loss of consortium (H)	Rs. 53,240/- x 5 = Rs. 2,66,200/-	Rs. 53,240/- x 5 = Rs. 2,66,200/-
9.	Compensation for loss of estate (I)	Rs. 19,965/-	Rs. 19,965/-
10.	Compensation towards funeral expenses (J)	Rs. 19,965/-	Rs. 19,965/-
11.	Total Compensation (F+G+H+I+J = K)	Rs. 40,86,130/-	Rs. 38,94,408.40/-
12.	Interest Awarded	9% per annum	9% per annum
13.	Reduced Compensation	**Rs. 1,91,721.60/- rounded to Rs. 1,91,721/-**	

14. Accordingly, the compensation is reduced by *Rs. 1,91,721/-* in both matters.

15. The Insurance company shall deposit the revised compensation, along with accrued interest, before the MACT within a period of four weeks. The same will be disbursed to claimants in accordance with the directions of the MACT in the respective impugned awards, in both these appeals.

16. Appeals stand disposed of in the above terms. Pending applications are rendered infructuous.

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17. Statutory deposit, if any, shall be refunded to appellant/Insurance Company only upon deposit of the entire compensation amount along with the accrued interest.

18. Judgment be uploaded on the website of this Court.

(ANISH DAYAL)
JUDGE

May 14, 2026/ak/bp

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