



2026:DHC:706



\$~P-1

* **IN THE HIGH COURT OF DELHI AT NEW DELHI***Reserved on: 05.12.2025**Pronounced on: 29.01.2026**Uploaded on: 29.01.2026*

+ MAC.APP. 999/2013

ORIENTAL INSURANCE CO LTD

..... Appellant

Through: Mr. Pradeep Gaur, Mr. Amit Gaur,
Ms. Sweta Sinha, Advocates.

versus

SMT PRINCY MISRA & ORS

..... Respondents

Through: Mr. Manish Maini, Ms. Aastha
Chauhan, Ms. Anjali Singh and
Mr. R.K. Jain, Advocates for R-1
to 3.**CORAM:****HON'BLE MR. JUSTICE PRATEEK JALAN****J U D G M E N T**

1. The appellant – Oriental Insurance Company Limited [“Insurance Company”] challenges an award dated 21.09.2013, passed by the Motor Accident Claims Tribunal [“the Tribunal”] in MACT No. 205/2011. By the said award, the Tribunal granted compensation at Rs. 69,48,600/-, alongwith interest at the rate of 9% per annum.

A. FACTS AND IMPUGNED AWARD

2. The proceedings before the Tribunal arose from a fatal accident, which took place on 10.03.2011 at about 8:30 PM, resulting in the death of one Mr. Naveen Kumar Misra. The deceased was riding his



2026:DHC:706



motorcycle [bearing No. DL-9S-V-8687], when a tanker [bearing registration No. 1G-B-3778] [“the insured vehicle”] struck him from behind, causing him to fall. He was subsequently run over by the insured vehicle. He was taken to Bhagwan Mahavir Hospital, where he was declared brought dead.

3. An FIR was lodged against the driver of the insured vehicle, bearing FIR No. 100/2011 in Police Station Mangol Puri, under Sections 279 and 304A of the Indian Penal Code, 1860. A chargesheet has also been filed in the criminal proceedings under Section 173 of the Code of Criminal Procedure, 1973.

4. The deceased was 32 years old at the time of the accident, and is survived by his wife, two children, and parents [respondent Nos. 1 to 5 herein]. In addition to the Insurance Company, the driver and owner of the insured vehicle [respondent Nos. 6 and 7 herein] were arrayed as respondents before the Tribunal.

5. Upon submission of a Detailed Accident Report [“DAR”], the Tribunal returned a finding of rash and negligent driving against the driver of the insured vehicle, and assessed compensation payable to the claimants at Rs. 69,48,600/-, alongwith interest at the rate of 9% per annum, under the following heads:

S.No.	Heads	Award
<i>Pecuniary Damages</i>		
1.	Loss of dependency	Rs. 66,63,600/-
2.	Funeral charges	Rs. 25,000/-
3.	Loss of estate	Rs. 10,000/-



4.	Loss of consortium	Rs. 1,00,000/-
<i>Non-Pecuniary Damages</i>		
5.	Loss of love, company and affection	Rs. 1,00,000/-
6.	Loss of gratuitous services	Rs. 50,000/-
TOTAL		Rs. 69,48,600/-

6. The Insurance Company is in appeal. The claimants, as well as the driver and owner of the insured vehicle have been impleaded as respondent Nos. 1 to 7 respectively in this appeal. During the pendency of the appeal, respondent Nos. 4 and 5 herein [parents of the deceased] passed away, and were accordingly deleted from the array of parties *vide* order dated 28.08.2024.

7. The appeal is limited to the question of quantum of compensation.

B. SUBMISSIONS BY THE LEARNED COUNSEL FOR PARTIES

8. I have heard Mr. Pradeep Gaur, learned counsel for the Insurance Company, and Mr. Manish Maini, learned counsel for the claimants.

9. Mr. Gaur challenged the impugned award on the following grounds:

A. The Tribunal erred in assessing loss of dependency by taking the monthly income as reflected in the last salary slip of the deceased. Mr. Gaur submitted that the deceased had a variable income and had been in employment for only about five months. He, therefore, contended that an average of all his salary slips ought to have been taken. He further submitted that the Tribunal ought to have excluded allowances and tax liability, which did not form part of



the deceased's income.

- B. The Tribunal deducted only 25% of the income towards personal and living expenses of the deceased. He submitted that, having regard to the fact that the mother of the deceased was receiving rental income and had an independent source of livelihood sufficient for her sustenance, a higher deduction towards personal expenses was warranted.
 - C. The Tribunal erred in awarding future prospects at 50%, which is contrary to the judgment of the Constitution Bench in *National Insurance Company Ltd. v. Pranay Sethi & Ors.*¹. He submitted that future prospects ought to have been taken at 40%.
 - D. The Tribunal granted interest on the component of future income from the date of filing of the DAR, whereas it ought to have been confined to the post-award period only.
 - E. The amounts awarded under the non-pecuniary heads require adjustment, so as to bring them in conformity with the principles laid down in *Pranay Sethi*.
10. Mr. Maini, on the other hand, submitted as follows:
- A. The deceased's income was variable as it was contingent upon field incentives. He further submitted that the Tribunal correctly refrained from deducting allowances and tax liability, since the allowances constituted a part of the deceased's salary, and no tax liability arose as the said salary was not taxable.
 - B. The deceased's mother has rightly been treated as a dependent, as the rental income cannot be regarded as an independent source of



income and, in fact, formed part of the deceased's service-related entitlements.

C. As the deceased was a permanent employee, the Tribunal was justified in awarding 50% towards future prospects.

D. The issue concerning grant of interest on future income is no longer *res integra*, as the Supreme Court in *Oriental Insurance Co. Ltd. v. Niru @ Niharika & Ors.*², dismissed the aforesaid argument, and granted interest on the entire awarded amount.

E. Mr. Maini was agreeable to certain adjustments under non-pecuniary heads, in conformity with the principles laid down in *Pranay Sethi*.

11. Each of the aforesaid aspects are taken up in turn.

C. LOSS OF DEPENDENCY

i) QUANTUM OF INCOME

12. The deceased was working as a Regional Manager at M/S Fullerton India Credit Company Limited, which was established in evidence by a representative of the employer – Mr. Rajiv Verma [PW3]³. He exhibited the appointment letter dated 28.09.2010, and salary slips of the deceased [PW3/1].

13. A perusal of the appointment letter dated 28.09.2010 shows that the deceased's remuneration structure comprised both fixed and variable components. The fixed component included a base salary of Rs. 1,02,000/- per annum and a personal allowance of Rs. 97,560/- per

¹ (2017) 16 SCC 680 [hereinafter, "*Pranay Sethi*"].

² 2025 SCC OnLine 1431 [hereinafter, "*Niru*"].

³ As recorded by the Tribunal in paragraph 11 of the impugned award, the employer's representative has been incorrectly marked as PW-3, but in fact should be read as PW-2.



2026:DHC:706



annum, in addition to transport allowance and housing allowance of Rs. 45,000/- per annum, applicable to Delhi and NCR. The appointment letter further contemplated performance and profitability linked pay, contingent upon achievement of specified parameters, which was to become applicable only after completion of six months of service. Significantly, the deceased was placed on probation for the initial six months.

14. The salaries drawn by the deceased from October 2010 to March 2011 are tabulated as follows:

<i>Head of Payment</i>	<i>October 2010⁴</i>	<i>November 2010</i>	<i>December 2010</i>	<i>January 2011</i>	<i>February 2011</i>	<i>March 2011⁵</i>
<i>Basic</i>	<i>Rs. 5,758/-</i>	<i>Rs. 8,500/-</i>	<i>Rs. 8,500/-</i>	<i>Rs. 8,500/-</i>	<i>Rs. 8,500/-</i>	<i>Rs. 2,742/-</i>
<i>House Rent Allowance</i>	<i>Rs. 2,540/-</i>	<i>Rs. 3,750/-</i>	<i>Rs. 3,750/-</i>	<i>Rs. 3,750/-</i>	<i>Rs. 3,750/-</i>	<i>Rs. 1,210/-</i>
<i>Personal Allowance</i>	<i>Rs. 5,507/-</i>	<i>Rs. 8,130/-</i>	<i>Rs. 8,130/-</i>	<i>Rs. 8,130/-</i>	<i>Rs. 8,130/-</i>	<i>Rs. 2,623/-</i>
<i>Conveyance Allowance</i>	<i>Rs. 542/-</i>	<i>Rs. 800/-</i>	<i>Rs. 800/-</i>	<i>Rs. 800/-</i>	<i>Rs. 800/-</i>	<i>Rs. 258/-</i>
<i>Field Incentive Payout</i>	<i>N/A</i>	<i>Rs. 6,334/-</i>	<i>Rs. 14,220/-</i>	<i>Rs. 6,232/-</i>	<i>Rs. 9,365/-</i>	<i>Rs. 10,869/-</i>
<i>Field Incentive Payout Sales Support Staff</i>	<i>N/A</i>	<i>N/A</i>	<i>Rs. 150/-</i>	<i>Rs. 200/-</i>	<i>Rs. 400/-</i>	<i>Rs. 750/-</i>
<i>TOTAL</i>	<i>Rs.14,347/-</i>	<i>Rs.27,514/-</i>	<i>Rs.35,550/-</i>	<i>Rs.27,612/-</i>	<i>Rs.30,945/-</i>	<i>Rs.18,452/-</i>

15. The Tribunal fixed the monthly income at Rs. 30,850/-, which was the deceased's salary for the month preceding the accident, after deducting a nominal amount towards mobile recovery.

16. The evidence shows that the deceased joined the services of the

⁴ The petitioner joined only on 11.10.2010.

⁵ The petitioner worked until the date of accident, i.e. 10.03.2011.



2026:DHC:706



employer on 11.10.2010 and passed away on 10.03.2011, having rendered services for a period of approximately five months. The salaries drawn during this period varied considerably on account of field incentive payouts, indicating that his income was neither uniform nor static. Further, the remuneration structure itself, as reflected from the appointment letter providing for Performance & Profitability Linked Pay reinforces that the nature of employment contemplated variable, performance-linked earnings, rather than a fixed or static salary. It is also evident that, during this entire period, the deceased was still within the probationary tenure prescribed by the appointment letter. In such circumstances, reliance on a single month's salary, particularly where earnings are performance-linked and the employment itself was of short duration, would not yield a fair or realistic assessment of earning capacity.

17. Having regard to the probationary status of the deceased, the short span of service, and the variable nature of remuneration reflected in the salary slips, I am of the view that it would be more appropriate to assess income on the basis of an average of the last three complete months immediately preceding the accident, i.e. December 2010 till February 2011, which would represent a more balanced and reasonable estimate of the deceased's earning capacity. The average monthly income for this period works out to Rs.31,369/-.

ii) DEDUCTION ON ACCOUNT OF ALLOWANCE AND TAXES.

18. The next issue that arises for consideration is whether any part of the income so assessed is liable to be excluded on account of allowances and taxes.



19. Mr. Gaur submitted that personal expenses of Rs. 8,130/-, and conveyance allowance of Rs. 800/- per month, as reflected in the salary slips, ought to have been deducted from the emoluments for the purposes of loss of dependency.

20. In *Kavita Devi & Ors. v. Sunil Kumar & Anr.*⁶, the Supreme Court considered the question of deductibility of allowances, as follows:

*“17. This Court has consistently held in case of the allowances which are included in the component of salary of the deceased, Tribunal has to take into consideration these allowances as they were used for supporting the family. The claimants have to show that these allowances were regularly received and used for the family's benefit. **Further, while determining whether the allowances form a part of the salary or not, the Tribunal by looking into the facts of each case and by considering the extent of dependency of the claimants on the salary of the deceased including the allowances, have to determine whether these allowances should be excluded from determination of the income of the deceased.** If the answer of the Tribunal is in affirmative, then the allowances may be excluded for determination of loss of dependency. If the Tribunal answers the above point in negative, then the Tribunal has to include the allowances for computation of income of the deceased, thus determining the loss of dependency.*

*18. Applying the above principle to the case on hand, **it can be seen that it is the consistent plea of the claimant that the deceased was earning Rs. 6,500/- and the same is evidenced by producing Ex. P6. No contrary evidence is produced by the Respondents to dispute the fact that the allowances which is about 50% of the salary of the deceased should be excluded from determination of the actual income.** Further, it can be seen that after the accident, the entire burden of taking care of two minor children and herself fell on Appellant No. 1. Therefore in view of the changing economic situation of the family after the death of the deceased, we are of the opinion that income which the deceased was earning at the time of the accident was Rs. 6,500/- p.m and same ought to have been taken into consideration.”⁷*

The aforesaid principle was also recently followed by this Court in

⁶ (2025) SCC OnLine SC 1639 [hereinafter, “*Kavita Devi*”].

⁷ Emphasis supplied.



*Shriram General Insurance Company limited v. Surila & Ors.*⁸.

21. The question whether a particular allowance is liable to be excluded while computing loss of dependency is, therefore, no longer *res integra*, and must be determined on the facts of each case.

22. In the present case, the evidence regarding the salary structure of the deceased has been led both through the employer's representative, and the wife of the deceased. The wife of the deceased categorically deposed that the deceased was drawing a monthly salary alongwith allowances and that she, her children, and parents of the deceased were fully dependent on his income. This testimony remained unchallenged in cross-examination by learned counsel for the Insurance Company. The position is further fortified by the cross-examination of the employer's representative, who clearly stated that the personal allowance and other allowances formed a part of the salary. He further denied the suggestion that the allowances would not go to the family.

23. The aforesaid evidence, therefore, does not cast any serious doubt on the quantum of salary as reflected in the salary slips. No testimony has been elicited, either from the wife of the deceased or from the employer's representative, to contradict or undermine the said components. The argument of the Insurance Company with regard to deduction of allowances is, therefore, rejected.

24. Turning next to Mr. Gaur's argument concerning deduction of tax liability, on this question, the Tribunal held as follows:

“One of the contentions before the Tribunal is at what stage the income tax is to be deducted whether from the income which is taken to be the

⁸ MAC.APP. 173/2014, decided on 03.12.2025.



*monthly income before adding future prospects or after adding the future prospects if any. It is his case that as per the judgment of **Shyamwati Vs. Karan Singh reported in 2010 VII AD (SC) 309 cited at bar of the Hon'ble Supreme Court of India** wherein it was held that income tax if any it will be deducted from the net income of the deceased and thereafter 50% from the relevant percentage is to be added. It is submitted by counsel for the insurance company that as per the calculation in **Shyamwati's case, Hon'ble Supreme Court** adjudicated the income tax after adding the amount of relevant percentage on account of future increment then the tax is deducted. In the present case no deducted tax has been shown to have been deducted from the salary of the deceased, so the issue became irrelevant there is no other evidence except the income tax return filed after the death of the deceased which cannot be looked into for the purpose of showing whether any income tax was paid or not. The witness from the employer of the deceased has specifically stated perhaps according to his estimate it was a non-taxable salary. His salary was not enough hence no tax was deducted a source."*

25. The Tribunal proceeded on the premise that no income tax was deductible, primarily on the ground that no tax deduction at source was reflected in the salary slips of the deceased, as well as the testimony of the employer's representative, stating that the salary was non-taxable, and the fact that the income tax return had been filed after the death of the deceased. In my view, this approach is erroneous and not borne out by the evidence on record.

26. The affidavit of evidence of the wife of the deceased, read with the documentary evidence, clearly establishes that during the relevant assessment year 2011-12, the deceased had income from two separate employments. Form-16 issued by the previous employer, M/s D.D. Industries Ltd., reflected a gross income of Rs. 98,014/-, while Form-16 issued by the current employer M/s Fullerton India Credit Company Ltd. reflected a gross income of Rs. 1,54,420/-. Both documents were placed on record as "*Mark B*". On the basis of the consolidated income from



2026:DHC:706



these two employments, the deceased filed his Income Tax Return [“ITR”] for assessment year 2011–12 [Ex. PW-3/4], which discloses a total income of Rs. 1,73,458/- after permissible deductions, and a tax liability of Rs. 1,386/-.

27. At the outset, it may be noted that the documents placed on record as “*Mark B*” are liable to be considered, having regard to the settled position that the strict rules of pleadings and evidence do not apply to claim cases. Further, the fact that the ITR was filed after the death of the deceased also does not render it irrelevant, particularly when it pertains to the same assessment year, is supported by Form-16s issued by both employers, and quantifies the actual liability. The ITR, in the present case, is not being relied upon to inflate income, but only to ascertain the actual tax payable on income, which is corroborated through independent employer records.

28. While it is true that no tax may have been deducted at source during the period the deceased was employed with Fullerton, the evidence shows that, upon addition of income from both employments during the financial year, a tax liability did in fact arise. Accordingly, while computing the annual income of the deceased for the purpose of loss of dependency, a deduction of Rs. 1,386/- towards income tax liability is warranted.

29. In view of the aforesaid discussion, the annual income of the deceased is calculated at Rs. 3,75,042/- [(Rs. 31,369/- x 12)-Rs. 1,386/-].

iii) DEDUCTION TOWARDS PERSONAL AND LIVING EXPENSES

30. The next issue which arises for consideration concerns the appropriate deduction towards personal and living expenses of the



deceased. The deceased was survived by his wife, two children, and parents, all of whom were treated as dependants by the Tribunal.

31. Mr. Gaur contended that the Tribunal erred in treating the mother of the deceased as a dependent in view of her independent rental income. The Tribunal dealt with the said argument as follows:

“13. As per the petition, the deceased was married and he left behind his widow, two minor children, mother and father, as held above father is normally not taken to be financially dependent upon his deceased son in the normal course of nature. It is submitted by the counsel for insurance company that as per the record submitted by the LRs of deceased, the mother of deceased was having income as she had let out the house to her deceased son and was getting Rs. 8000/- per month on account of house rent. Since the deceased has left heavenly abode and there is no proof of income thereafter. Even if it is taken that Rs. 8000/- per month rental income which the mother of deceased was getting from her son is continuing, it cannot be said that she was not financially dependent because Rs. 8000/- in today’s circumstances is too low a sum for maintaining the house hold expenses and other things connected with the same and keep the body and soul together. Hence there are four dependents upon the deceased at the time of his death.”⁹

32. As far as this aspect is concerned, the evidence by the wife of the deceased, and representative of the deceased’s employer are relevant. As noted above, the wife of the deceased in her affidavit of evidence stated that she, the children, and the parents of the deceased were fully dependent on his income. She also stated that the deceased was paying house rent at Rs. 6,000/- per month in order to reduce his tax liability. She was cross-examined by learned counsel for the Insurance Company, where she stated as follows:

*“Q. Besides the deceased husband your father and mother in law are having how many children?
Objected to not relevant to the controversy in question. Matter in issue.*

⁹ Emphasis supplied.



Objection sustained for the reasons mentioned.

My father in law had not been doing any work to maintain himself.

Court question – His expenses were being met by both brothers i.e. my husband and my jeth namely, Anup Kumar Mishra.

Mr. Anup Kumar Mishra, my jeth is an accountant but I do not know how much he earns. I do not know the house in which we are staying along with my mother in law and father in law in the name of whom.

Q – I put it to you that house in which the entire family including your mother and father in law staying is in the name of Kamlesh Mishra and she is having rental income.

Ist part of suggestion is disallowed as the witness is already stated that she does not know in whose name the houses, Reply to second part of suggestion my mother in law is not having any rental income,

It is wrong to suggest that petitioner no. 4 and 5 were not financially dependent upon the income of my deceased husband at the time of the accident.

It is wrong to suggest that I am deposing falsely.”

33. The evidence on record indicates that the rental payment was being made by the deceased himself to his mother and was linked to the conditions of his employment. The wife of the deceased, in her affidavit of evidence, specifically deposed that the deceased was paying house rent of Rs. 6,000/- per month in order to reduce his tax liability. This assertion was not challenged in her cross-examination. Significantly, she was not confronted on the purpose or nature of the rental arrangement, and she categorically denied the suggestion that her mother-in-law had any independent rental income. The only line of cross-examination pursued was with respect to her knowledge of ownership of the house, which she stated she did not know. The testimony of the wife of the deceased clearly established that she, her children and the parents of the deceased were financially dependent upon him at the time of the accident. This assertion was reiterated during her cross-examination, and the suggestion that the parents were not dependent was categorically denied.



34. This evidence is further strengthened by the testimony of the employer's representative, who stated that such tenancy arrangements are permissible to enable employees to avail allowances and tax benefits. Viewed thus, the payment of house rent by the deceased to his mother, was simply a service-related arrangement, and cannot be equated with an independent source of income so as to negate the mother's financial dependency on the deceased.

35. In view of the above discussion, the Tribunal was justified in treating the mother of the deceased as a dependent. The deduction of 25%, applied by the Tribunal towards personal and living expenses, is applicable in cases where the deceased is a married person with four to six dependants. For the reasons aforesaid, this deduction is upheld.

iv) FUTURE PROSPECTS

36. On the question of future prospects, the judgment in *Pranay Sethi* states as follows:

“59.3 While determining the income, an addition of 50% of actual salary to the income of the deceased towards future prospects, where the deceased had a permanent job and was below the age of 40 years, should be made. The addition should be 30%, if the age of the deceased was between 40 to 50 years. In case the deceased was between the age of 50 to 60 years, the addition should be 15%. Actual salary should be read as actual salary less tax.

59.4 In case the deceased was self-employed or on a fixed salary, an addition of 40% of the established income should be the warrant where the deceased was below the age of 40 years. An addition of 25% where the deceased was between the age of 40 to 50 years and 10% where the deceased was between the age of 50 to 60 years should be regarded as the necessary method of computation. The established income means the



income minus the tax component."¹⁰

37. The deceased was admittedly less than 40 years of age. The question is, therefore, whether his case will fall within paragraph 59.3 or 59.4 of *Pranay Sethi*.

38. Mr. Gaur submitted that the deceased could not be regarded as having a permanent job within the meaning of paragraph 59.3 of *Pranay Sethi*, as he was still undergoing probation at the time of the accident, and had not been confirmed in service. It was contended that the deceased's appointment was expressly subject to satisfactory completion of the probationary period and performance review.

39. I find merit in this submission of Mr. Gaur. The appointment letter unequivocally stipulates that the deceased was on probation for the first six months of service, and that permanent placement was contingent upon satisfactory completion of the probationary period and fulfilment of other conditions. It is undisputed that the deceased had rendered service for only about five months at the time of his death and had not yet been confirmed. In these circumstances, the deceased cannot be treated as a permanent employee for the purposes of assessing future prospects under paragraph 59.3 of *Pranay Sethi*.

40. Mr. Maini placed reliance on the judgment of the Supreme Court in *K. Anusha v. Regional Manager*¹¹, wherein the addition towards future prospects was enhanced to 50%, relying on *Pranay Sethi*, in respect of a deceased aged 32 years, who was employed as a Senior Design Engineer. However, the said decision, in my view, does not support the case of the

¹⁰ Emphasis supplied.



claimants, as the judgment does did not consider the issue of probationary status.

41. Having regard to the above, the case would fall within paragraph 59.4 of *Pranay Sethi*. Consequently, an addition of 40% towards future prospects is warranted.

v) **COMPUTATION OF LOSS OF DEPENDENCY**

42. There is no dispute with regard to the applicability of a multiplier of 16. However, in view of the modifications hereinabove with respect to the quantum of income and the addition towards future prospects, the loss of dependency requires to be re-computed as follows:

S.No.	Heads	Amount
1.	Annual income of the deceased [A]	Rs. 3,75,042/-
2.	ADD: future prospects [40% of A = B]	Rs. 1,50,016.8/-
3.	Income of the deceased (including future prospects) [A+B = C]	Rs. 5,25,058.8/-
4.	MINUS: personal expenses [25%] [D]	Rs. 1,31,264.7/-
5.	Annual loss of dependency [C – D = E]	Rs. 3,93,794.1/-
6.	Multiplier [F]	16
Total loss of dependency [E x F]		Rs.63,00,705.6/- [Rs. 63,00,706/- approx.]

¹¹ 2021 SCC OnLine SC 3339.



43. Loss of dependency is, therefore, reduced from Rs. 66,63,600/- to Rs. 63,00,706/-.

D. FUNERAL CHARGES AND LOSS OF ESTATE:

44. The judgment in *Pranay Sethi*¹² stipulates compensation for funeral charges and loss of estate of Rs.15,000/- each. The award is accordingly modified, and the compensation for funeral charges and loss of estate are awarded at Rs.15,000/- each, instead of Rs.25,000/- and Rs. 10,000/-, respectively.

E. LOSS OF CONSORTIUM:

45. The judgment in *Pranay Sethi* provides for loss of consortium of Rs.40,000/-. Furthermore, it is clear from the judgments in *Magma General Insurance Company Limited v. Nanu Ram Alias Chuhru Ram and Ors.*¹³ and *United India Insurance Company Limited v. Satinder Kaur alias Satwinder Kaur & Ors.*¹⁴, that loss of consortium is payable under three distinct heads: loss of spousal consortium, loss of parental consortium, and loss of filial consortium, to the spouse, children, and parents of the deceased, respectively. The judgment of the Supreme Court in *National India Assurance Company Limited v. Somwati*¹⁵ is authority for the proposition that loss of consortium is to be separately awarded to each entitled claimant.

46. In the present case, there were five claimants, who all fall within these categories being the wife, two children, and parents of the deceased. The award on this account is, therefore, enhanced to Rs. 2,00,000/-.

¹² Paragraph 52.

¹³ (2018) 18 SCC 130.

¹⁴ (2021) 11 SCC 780 [hereinafter, "*Satinder Kaur*"].

¹⁵ (2020) 9 SCC 644.



F. LOSS OF LOVE AND AFFECTION AND GRATUITOUS SERVICES:

47. Compensation for loss of love and affection and loss of gratuitous services has been awarded by the Tribunal at Rs.1,00,000/- and Rs. 50,000/- respectively. The Supreme Court, in *Satinder Kaur*¹⁶, has made it clear that no amount is to be awarded on these heads separately. The award on this account is, therefore, deleted.

G. INTEREST

48. The only issue left for consideration is whether interest on future income needs to be confined only to the post-award period.

49. Mr. Gaur submitted that the amount awarded towards future prospects represents a notional enhancement of income and does not constitute earnings as on the date of the accident. It was contended that since such income is only an estimation of future earnings, interest thereon ought to run only from the date of the award. In support of this submission, reliance was placed on the judgment of the Supreme Court in *R.D. Hattangadi v. Pest Control (India) (P) Ltd.*¹⁷, and of this Court in *Arvind Pathak v. Parshant Kumar*¹⁸.

50. Mr. Maini, however, drew my attention to a recent judgment of the Supreme Court in *Niru*, in which the Court held as follows:

“9. A very relevant issue agitated by the Insurance Company is the illegality in awarding interest for future prospects, which in any event is an amount received in advance, normally inuring to the benefit of the claimants only in future. This is the only contention taken in the connected appeal bearing SLP(C) No. 22136 of 2024. We find absolutely no reason to accept this argument. In SLP(C) No. 11340 of 2020, the multiplier applied looking at the life span of the deceased and the claimants is 13. Before the Tribunal itself, the case was pending for 12 years and the only

¹⁶ Paragraphs 34 and 35.

¹⁷ (1995) 1 SCC 551 [hereinafter, “*R.D. Hattangadi*”].

¹⁸ 2016 SCC OnLine Del 2675 [hereinafter, “*Arvind Pathak*”].



amount received by the claimants was Rs. 50,000/-. Hence though amounts are awarded for future prospects taking the multiplier of 13; in effect, the money is received only after the period for which the multiplier is adopted. Similar is the case in SLP(C) No. 22136 of 2024 where the accident occurred in 2018, the multiplier applied is 17 and we are seven years from the date of accident.

10. We cannot but observe that there was nothing stopping the Insurance Company from settling the claim on a computation, on receipt of intimation of the accident, especially since the determination of compensation for loss of dependency, on death being occasioned in a motor vehicle accident, can be determined as evident from the judicial precedents; at least provisionally.

11. In fact, it is due to the repudiation of or refusal to consider the claim that the claimants are driven to the Tribunal. When the matter is pending before the Tribunal or in appeal before the higher forums, the claimants are deprived of the compensation for future prospects. If they are paid in time, it could be utilized by the claimants and on failure, the loss of dependency would force the claimants to source their livelihood from elsewhere. This is sought to be compensated at least minimally by award of interest, which oftener them ever is nominal also since only simple interest is awarded. If the amounts were disbursed to the claimants on a rough calculation, on intimation of the accident to the Insurance Company, subject to the award of the Tribunal, necessarily there would not have been any interest liability atleast to the extent of the disbursement made. Hence, we reject the contention and direct that the entire award amounts would be paid with interest at the rate of 9% from the date of filing of the claim till the date of disbursement, deducting only Rs. 50,000/- granted as interim compensation, in SLP(C) No. 11340 of 2020 and 6% in SLP(C) No. 22136 of 2024 as awarded by the High Court; deduction to be made for the amounts already paid.”

51. I am of the view that the judgment in *Niru* is more apposite to the facts of the present case. The present matter also arises out of a fatal motor vehicle accident and concerns compensation for loss of dependency, where the multiplier method is applied. In contrast, the decisions in *R.D. Hattangadi* and *Arvind Pathak* were rendered in the context of injury cases, and in any event stand on a different footing.

52. In light of the aforesaid, I find no merit in the contention that



interest on future prospects ought to be restricted to the post-award period. Accordingly, interest on the entire awarded amount shall be payable at the rate of 9% per annum from the date of institution of the DAR till the date of disbursement.

H. RE-COMPUTATION OF AWARD

53. As a result of the above discussion, the award of the Tribunal is modified to the following extent:

Sr. No.	Heads	Awarded by the Tribunal	Awarded by the Court	Difference
1.	Loss of dependency	Rs. 66,63,600/-	Rs.63,00,706/-	(-) Rs. 3,62,894/-
2.	Funeral Charges	Rs. 25,000/-	Rs.15,000/-	(-) Rs. 10,000/-
3.	Loss of Estate	Rs. 10,000/-	Rs. 15,000/-	(+) Rs. 5,000/-
4.	Loss of consortium	Rs. 1,00,000/-	Rs.2,00,000/-	(+)Rs. 1,00,000/-
5.	Loss of love and affection	Rs. 1,00,000/-	DELETED	(-) Rs. 1,00,000/-
6.	Gratuitous Services	Rs. 50,000/-	DELETED	(-) Rs. 50,000/-
	TOTAL	Rs. 69,48,600/-	Rs.65,30,706/-	(-)Rs. 4,17,894/-

I. CONCLUSION

54. The Tribunal's award, therefore, stands reduced by Rs. 4,17,894/-, i.e. from Rs. 69,48,600/- to Rs. 65,30,706/-.

55. By order dated 01.11.2013, 80% of the awarded amount, alongwith up-to-date interest, was directed to be deposited with the Registrar General of the Court, as a condition for stay of the award. Upon such



2026:DHC:706



deposit, 40% of the award was directed to be released in accordance with the directions of the Tribunal. The remaining amount was to be kept in fixed deposits.

56. As far as disbursement of the amount is concerned, the Tribunal granted fixed sum of Rs. 15,00,000/- each to the minor son and minor daughter of the deceased for the period till the son attains majority and the daughter attains the age of 21 or the date of her marriage, whichever is earlier. The Tribunal further granted Rs. 10,00,000/- and Rs. 5,00,000/- to the mother and father of the deceased in the form of fixed deposits for a period of five years each. Lastly, the Tribunal granted a nominal amount be released to the wife immediately, and the rest to be kept in the form of ten equal fixed deposits to be released within a period of ten years.

57. I am informed that the children of the deceased have not yet attained majority. It is further noted that the parents of the deceased have since passed away, as recorded in the order dated 28.08.2024, which also records that they left behind no Class-I legal heirs other than the wife of the deceased and his children. The maximum period of ten years for which the fixed deposits were directed to be maintained has also since elapsed.

58. The Registry is directed to transmit the balance amount lying with it to the Tribunal.

59. The Insurance Company is directed to deposit the remaining amount, alongwith up-to-date interest, at the rate of 9% per annum as granted by the Tribunal, from the date of filing of the DAR, i.e. 30.05.2011, within a period of 8 weeks from today, with the Tribunal.



2026:DHC:706



60. Having regard to the fact that the awarded amount has been reduced, and the parents of the deceased have since passed away, I am of the view that the disbursement and apportionment of the remaining award will require modification. The claimants will appear before the Tribunal on 09.02.2026 for consideration of this issue.

61. The appeal stands disposed of with the aforesaid directions.

62. Statutory deposit be refunded to the Insurance Company.

PRATEEK JALAN, J

JANUARY 29, 2026

SS/'Ainesh'/