



2026:DHC:2932



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

% *Date of decision: 01st April 2026*

(3)

+ **MAC.APP. 1130/2014**

UNITED INDIA INSURANCE CO LTDAppellant

Through: Mr. Nikhil Jain, Adv.

versus

BELI @ BAILA & ORSRespondents

Through: Mr. Anshuman Bal, Adv.

(4)

+ **MAC.APP. 790/2016**

BELI @ BAILA & ORSAppellants

Through: Mr. Anshuman Bal, Adv.

versus

UNITED INDIA INSURANCE CO LTD & ORSRespondents

Through: Mr. Nikhil Jain, Adv. for R-1.

CORAM:

HON'BLE MR. JUSTICE ANISH DAYAL

JUDGMENT

ANISH DAYAL, J (ORAL)

1. These appeals have been filed on the issue of quantum of compensation awarded by the Motor Accidents Claims Tribunal [*'MACT'*], Tis Hazari Courts in claim no. 907/2012 dated 10th October 2014 for an amount of Rs.21,38,824/- with interest at the rate of 9% per annum.

2. The accident occurred on 22nd November 2012 at about 9:20 p.m.

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when late *Sh. Faujdar* (hereinafter, '**deceased**') aged about 40 years of age was travelling on a bicycle along with *Bahadur Lal* from *Loni* to *Panchsheel Colony*. When they reached *Loni Road*, a truck bearing registration no. UP-13T-1900 being driven rashly and negligently by the driver hit the bicycle of deceased, due to which the deceased fell down and sustained fatal injuries. FIR no. 895/2012 was filed at P.S. Sahibabad,

3. *Mr. Nikhil Jain*, counsel appears on behalf of Insurance Company and seeks reduction of the amount of compensation awarded; whereas, *Mr. Anshuman Bal*, counsel appearing on behalf of the claimant, in the cross-appeal seeks enhancement.

4. *Mr. Jain*, counsel for Insurance Company has raised *twin* issues on the aspect of multiplier taken for computation of compensation and future prospects awarded by the MACT. He states that as per the ration card, the age of deceased was 36 as on 15th December 2006, therefore, he would have been 42 years old when the accident took place. Therefore, a multiplier of 14 should have been taken.

5. Relying upon the driving licence of deceased, the MACT considered the age of deceased as *40 years and 7 months*.

6. The Court has perused the driving license, exhibited as *Ex.PW1/2*, which shows the date of birth of deceased as 17th April 1972, whereas the accident occurred on 27th November 2012. Accordingly, the deceased would have been *40 years and 7 months* as on the date of accident.

7. In view of the decisions of the Supreme Court in *National Insurance Co. Ltd. v. Pranay Sethi*, (2017) 16 SCC 680 and *Sarla Verma v. DTC*, (2009) 6 SCC 121, a multiplier of 15 has been correctly applied by the MACT.



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8. As regards future prospects, *Mr. Jain*, counsel for Insurance Company, states that there was no evidence that the deceased was working in a permanent job, therefore, 25% towards future prospects should have been granted for a self-employed person or working on a fixed salary. The issue of future prospects awarded to individuals working at a fixed salary or self-employed has been standardized by the Supreme Court in ***Pranay Sethi*** (*supra*) and the relevant observations of the Court are extracted as under:

“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.”

(emphasis added)

9. On the other hand, *Mr. Bal*, counsel for claimants, has raised an issue that the deceased was working as a driver and earning Rs. 12,000/- per month, however, the MACT has assessed his wages at minimum wages for a skilled person at Rs.8,814/-, there being no proof filed to support his claim of vocation as a driver.

10. *Mr. Bal*, counsel for claimants, has drawn the attention of this Court to ***Ex. PW-1/A***, statement of wife of the deceased, ***PW-1***, to support his contention.

11. He has placed reliance upon the decision in ***Minu Rout & Anr. v. Satya Pradyumna Mohapatra & Ors.*** (2013) 10 SCC 695, where the Supreme Court considered the vocation of a driver as a skilled job and determined the monthly income of deceased.

12. The claim petition stated that the deceased was earning Rs. 5,000/- per



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month; however, the oral evidence was not accepted by the Tribunal, since there was no documentary evidence and took the income of deceased as Rs. 3,000/-. Supreme Court, however, held that the Tribunal ought to have taken the salary of deceased, who was working as a driver at Rs.6,000/-, by taking judicial notice of the fact the post of a driver is a skilled job.

13. On this basis, *Mr. Bal*, counsel for claimants states that the monthly income of the deceased ought to have been taken as higher than the minimum wages for a skilled person, as assessed by the MACT.

14. Reliance may also be placed on the decision of Supreme Court in *Chandra v. Mukesh Kumar Yadav*, (2022) 1 SCC 198 where the Supreme Court has stated that in the absence of documentary evidence, some amount of guesswork is required to be done, though the guesswork should not be totally detached from reality. While computing the income, the adoption of lowest tier of minimum wage should not be the default mechanism, if the claimants have been unable to produce documentary evidence to show the monthly income.

15. In that case, while assessing the benchmark income of deceased for the purpose of loss of dependency, the Court arrived at the finding on the basis of age and nature of work, which was purported to be done by deceased.

16. Adverting to the testimony of *PW-1*, who stated in her cross-examination that her husband was working in *Surya Nagar, Vivek Vihar*, since the last two years and drawing a salary of Rs.12,000/- per month, she further resisted the suggestion that her husband was not working. Driving licence was given as proof of employment and was exhibited as *Ex.PW1/2*. There was no other cross-examination by the Insurance Company regarding his work.



17. Accordingly, applying these decisions, the rationale for assessment and having considered that there was no rebuttal by the Insurance Company relating to the evidence of **PW-1**, this Court considers it appropriate to assess his monthly income at Rs. 10,000/-.

18. *Mr. Bal*, counsel for claimants, further states that loss of consortium has been awarded at Rs.1,00,000/-, whereas, it should be Rs. 2,80,000/- (Rs. 40,000 x 7), considering there were seven family members, who are the claimants herein.

19. Accordingly, in terms of the judgments in **Magma General Insurance Co. Ltd. vs. Nanu Ram** (2018) 18 SCC 130 and **Pranay Sethi** (*supra*), the same would stand awarded.

20. MACT has awarded Rs. 1,00,000/- towards care and guidance of minor children, however, the same shall not be awarded in view of the decision of **Pranay Sethi** (*supra*). Further, compensation towards loss of estate and funeral expenses will also be aligned with the principles enunciated in **Pranay Sethi** (*supra*) relevant observations of the Court are extracted as under:

“52. As far as the conventional heads are concerned, we find it difficult to agree with the view expressed in Rajesh [Rajesh v. Rajbir Singh, (2013) 9 SCC 54]. It has granted Rs 25,000 towards funeral expenses, Rs 1,00,000 towards loss of consortium and Rs 1,00,000 towards loss of care and guidance for minor children. The head relating to loss of care and minor children does not exist. Though Rajesh refers to Santosh Devi [Santosh Devi v. National Insurance Co. Ltd., (2012) 6 SCC 421], it does not seem to follow the same. The conventional and traditional heads, needless to say, cannot be determined on percentage basis because that would not be an acceptable criterion. Unlike determination of income, the said heads have to be quantified. Any quantification must have a



reasonable foundation. There can be no dispute over the fact that price index, fall in bank interest, escalation of rates in many a field have to be noticed. The court cannot remain oblivious to the same. There has been a thumb rule in this aspect. Otherwise, there will be extreme difficulty in determination of the same and unless the thumb rule is applied, there will be immense variation lacking any kind of consistency as a consequence of which, the orders passed by the tribunals and courts are likely to be unguided. Therefore, we think it seemly to fix reasonable sums. It seems to us that reasonable figures on conventional heads, namely, loss of estate, loss of consortium and funeral expenses should be Rs 15,000, Rs 40,000 and Rs 15,000 respectively. The principle of revisiting the said heads is an acceptable principle. But the revisit should not be fact-centric or quantum-centric. We think that it would be condign that the amount that we have quantified should be enhanced on percentage basis in every three years and the enhancement should be at the rate of 10% in a span of three years. We are disposed to hold so because that will bring in consistency in respect of those heads.”

(emphasis added)

21. Accordingly, the revised computation is as under:

S. No.	Heads	Awarded by the Tribunal	Awarded by this Court
1	Income of deceased (A)	Rs. 8,814/-	Rs. 10,000/-
2	Add: Future Prospects (B)	Rs. 4,407/-	Rs. 2,500/-
3	Less: Personal expenses of deceased (C)	Rs. 2,644.2/-	Rs. 2,500/-
4	Loss of dependency (A+B)-C=D	Rs. 10,576.8/-	Rs. 10,000/-
5	Annual loss of dependency (Dx12) = (E)	Rs. 1,26,921.6/-	Rs. 1,20,000/-
6	Multiplier (F)	15	15
7	Total loss of dependency (E x F)= (G)	Rs. 19,03,824/-	Rs. 18,00,000/-



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8	Compensation for loss of consortium (H)	Rs. 1,00,000/-	Rs. 2,80,000/-
9	Compensation for loss of care and guidance for minor children (I)	Rs. 1,00,000/-	Nil
10	Compensation for loss of estate (J)	Rs. 10,000/-	Rs. 15,000/-
11	Compensation towards funeral expenses (K)	Rs. 25,000/-	Rs. 15,000/-
12	Total compensation (G+H+I+J+K)= L	Rs. 21,38,824/-	Rs. 21,10,000/-
13	Rate of Interest Awarded	9%	9%

22. In view of the above computation, the compensation payable to claimants has been reduced by Rs. 28,824/-, along with interest at the rate of 9% per annum, as awarded by the MACT.

23. By order dated 12th December 2014, this Court had directed the Insurance Company to deposit the entire awarded amount with the Registrar General of this Court and upon deposit a stay was granted on the execution of impugned awarded and 50% of the compensation was released to the claimants as per the directions of the MACT.

24. *Mr. Anshuman Bal*, counsel for claimants, informs that pursuant to the said directions, though the amount had been deposited before the MACT, 50% of the compensation had been sent to the Registrar General of this Court, from which it has been disbursed. Accordingly, the balance amount with the Registrar General, if any, shall be sent to the MACT and the deposited amount shall be adjusted against the revised compensation.

25. In case any excess amount has been deposited by the Insurance Company, same shall be refunded to the Insurance Company, along with accrued interest thereon. The claimants shall be entitled to release of the balance amount in terms of the directions contained in the impugned award.



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26. Copy of this judgment be sent to the concerned MACT.
27. Copy of this judgment be sent to the concerned bank.
28. Appeals stand disposed of with above directions.
29. Pending applications, if any, are rendered infructuous.
30. Statutory deposit, if any, be refunded to Insurance Company.
31. Judgment be uploaded on the website of this Court.

(ANISH DAYAL)
JUDGE

APRIL 1, 2026/mk/sp