



2026:DHC:1397



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* IN THE HIGH COURT OF DELHI AT NEW DELHI

% Date of decision: 17th February, 2026+ MAC.APP. 531/2017 & CM APPL. 23082/2017

ORIENTAL INSURANCE CO LTD

.....Appellant

Through: Mr. R.K. Tripathi, Adv.

versus

SUKHVINDER KAUR & ORS

.....Respondents

Through: Mr. S.N. Parashar, Mr. Palvinder Singh and Mr. S.W. Nomani, Advs.
for R-1 to 3.

CORAM:

HON'BLE MR. JUSTICE ANISH DAYAL

JUDGMENTANISH DAYAL, J: (ORAL)

1. This appeal has been filed by appellant/Insurance Company assailing award dated 06th March 2017 in Claim No.3/2014 (hereinafter, '*impugned award*') passed by Motor Accidents Claims Tribunal ['*MACT*'] (Central), Tis Hazari Court (hereinafter, '*Tribunal*') allowing the claim and awarding compensation of Rs.8,82,397/- with interest of 9% and 6% with separate interest periods.

2. The accident occurred on 27th January 2004 at about 03.30 a.m. near *Aradhna* sales tax check post, *Sahibabad*, when the driver of offending vehicle/truck while reversing the truck rashly and negligently hit the *Maruti Car* in which deceased/*Sh. Swarn Singh* was travelling, who died on the spot. FIR No.119/2004 was registered with PS Sahibabad



2026:DHC:1397



and respondent no.6/driver-*Sh. Sher Singh* was charge-sheeted for offences under Sections 279/337/304A/427 of Indian Penal Code, 1860 (IPC).

3. Claim petition was filed by wife, two children and mother of deceased (hereinafter, '*claimants*'). Upon receiving notice of the petition, a joint statement was filed by respondent no.6/driver and respondent no.5/owner denying liability. This resulted in an award passed on 13th October 2008, where respondent no.5/owner did not seek impleadment of appellant/Insurance Company. Since the award was passed *ex parte*, an application was moved in 2014 for setting aside the award and for impleading the appellant/Insurance Company. Said application was allowed on 6th January 2014. Therefore, it is an admitted fact that appellant/Insurance Company was not a party in the proceedings till 6th January 2014.

4. Impugned award was finally passed on 06th March 2017 awarding compensation of Rs.8,82,397/- and liability was fastened on appellant/Insurance Company.

5. *Mr. R.K. Tripathi*, Counsel appearing on behalf of appellant/Insurance Company, pleads that aside from other re-computations, which are required, liability of interest on Insurance Company should only be from 06th January 2014 and not prior to that date, considering that they were not even parties in the earlier set of proceedings and it was an omission on the part of owner to not implead them in the first place.

6. As per impugned award, interest of 6% per annum is awarded for



2026:DHC:1397



the period from 11th March 2008 to 05th January 2014, and interest of 9% from date of filing of claim petition *w.e.f.* 07.03.2006 to 10.03.2008 and from 06th January 2014 till realisation, while trying to accommodate the plea of appellant/Insurance Company.

7. This Court finds that the Tribunal has been amiss in imposing interest on appellant/Insurance Company prior to 6th January 2014, when they were not even a part of the picture.

8. The component of interest is imposed by Courts in order that any delay in payment of compensation, for which a party is liable, should not accrue as a disadvantage to the beneficiary. In this case, appellant/Insurance Company was oblivious of prior previous proceedings and, therefore, logically cannot be saddled with interest for that period.

9. Accordingly, it is directed that interest on compensation will be at 9% from 6th January 2014 till realisation.

10. There are certain other alignments which need to be made in the compensation, discussed as under:

- (i) Compensation has been awarded for *loss of love and affection* at Rs.2,00,000/- which cannot be permitted, in view of Supreme Court's decision in ***United India Insurance Co. Ltd. v. Satinder Kaur*** (2021) 11 SCC 780.
- (ii) *Loss of estate* has been granted at Rs.10,000/- which ought to be Rs.15,000/-, as per ***National Insurance Co. Ltd v. Pranay Sethi*** (2017) 16 SCC 680.
- (iii) *Funeral expenses* have been granted at Rs.25,000/- which ought to be at Rs.15,000/-, as per ***Pranay Sethi (supra)***.



2026:DHC:1397



- (iv) *Loss of consortium* to wife has been granted at Rs.1,00,000/- which ought to be Rs.40,000/- for each of the dependants as on the date of accident as per **Pranay Sethi** (*supra*). Considering there were four dependants on the date of accident, *loss of consortium* shall be Rs.1,60,000/-.
- (v) *Future prospects* have to be awarded at 25% on the income, considering that the deceased was aged 42 years and he was self-employed, as per **Pranay Sethi** (*supra*).

11. Revised computation, therefore, is as under:

S. No.	Heads	Awarded by the Tribunal	Awarded by this Court
1	Income of deceased (A)	Rs. 52,133/- (Per Annum)	Rs. 52,133/- (Per Annum)
2	Add Future Prospects (B) @ 25%	-	Rs. 13,033.25/-
3	Less: Personal expenses of deceased (C)	Rs. 13,033.25/-	Rs. 16,292/-
4	Annual loss of dependency (A+B)-C=D	Rs. 39,099.75/-	Rs. 48,874.25/-
5	Multiplier (E)	14	14
6	Total loss of dependency (DxE = F)	Rs. 5,47,397/-	Rs. 6,84,240/-
7	Compensation for loss of consortium (G) (40,000x4)	Rs. 1,00,000/-	Rs. 1,60,000
8	Compensation for loss of love and affection (H)	Rs. 2,00,000/-	Nil
9	Compensation for loss of estate (I)	Rs. 10,000	Rs. 15,000/-
10	Compensation towards funeral expenses (J)	Rs. 25,000/-	Rs. 15,000/-
11	Total compensation (F+G+H+I+J=K)	Rs.8,82,397/-	Rs. 8,74,240/-
12	Rate of Interest Awarded	9%	9%



2026:DHC:1397



12. By order dated 05th July 2017, this Court while issuing notice directed that entire compensation amount will be deposited before the Tribunal and 50% shall be released in terms of impugned award.
13. Since the compensation has been reduced by Rs. 8,157/-, surplus amount be refunded to appellant/Insurance Company, along with proportionate interest, subject to any further orders by the Court.
14. As regards the release of balance amount, a plea of financial difficulty was raised by *Mr. S.N. Parashar*, Counsel appearing on behalf of the claimants. They are at liberty to move an appropriate application in this regard, which will be considered as and when filed.
15. Appeal stands disposed of with above directions.
16. Pending applications, if any, are rendered infructuous.
17. Statutory deposit, if any, be refunded to the appellant.
18. Judgment be uploaded on the website of this Court.

**ANISH DAYAL
(JUDGE)**

FEBRUARY 17, 2026/mk/sp