



2026:DHC:4096



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

% ***Date of decision: 8th May 2026***

+ **MAC.APP. 947/2015**

THE NEW INDIA ASSURANCE CO LTDAppellant

Through: Mr. Anshum Jain, Advocate.

versus

SUNITA DEVI & ORSRespondents

Through: Mr. Parv Agarwal, Advocate (through VC).

(4)

+ **MAC.APP. 118/2016**

SUNITA DEVI & ORSAppellant

Through: Mr. Parv Agarwal, Advocate (through VC).

versus

RAJESH KUMAR & ANR (NEW INDIA ASSURANCE CO LTD)

.....Respondents

Through: Mr. Anshum Jain, Advocate.

CORAM:

HON'BLE MR. JUSTICE ANISH DAYAL

JUDGMENT

ANISH DAYAL, J (ORAL)

1. These cross-appeals have been filed assailing the judgment dated 16th September 2015 passed by the Motor Accident Claims Tribunal, Shahdara, Karkardooma Courts, Delhi (*'MACT/Tribunal'*) in MAC Petition No. 20/2013, awarding compensation of Rs. 11,71,735/- along with interest at the



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rate of 12% per annum.

2. MAC.APP. 947/2015 has been filed by the Insurance Company seeking reduction of compensation, whereas MAC.APP. 118/2016 has been filed by the claimants, seeking enhancement of compensation.

3. This relates to an accident which occurred on 13th August 2012 at about 07.30 a.m. near *U-Turn, Phase II, G. T. Road, Noida*, when the deceased (*Dhirendra Kumar Chaudhary*) was going on foot and was struck by a motorcycle bearing registration No. DL-7S-BL-8469 being driven by respondent no.6.

4. The MACT held that the accident had taken place due to the rash and negligent driving of respondent no. 6. The deceased was 35 years of age at the time accident and as per testimony of his wife, *Sunita Devi*, he was working with *M/s VRTS Industries Solutions Pvt. Ltd.* at *B-177, Phase II, Noida*, and earning *Rs. 10,000/-* per month.

5. The issues which have been raised by the Insurance Company are essentially on re-alignment of compensation in line with the principles enunciated in *National Insurance Co. Ltd. v. Pranay Sethi* (2017) 16 SCC 680 on the following counts:

- a) *Loss of consortium* has been granted at *Rs. 1,00,000/-*, whereas on the basis of *Rs. 40,000/-* per dependent, and there being five dependents, *loss of consortium* ought to be *Rs. 2,00,000/-*.
- b) *Loss of love and affection*, granted at *Rs. 50,000/-* for each of the dependents, *Rs. 2,50,000/-* in total, ought not to be duplicated and will be embedded into the *loss of consortium*, and also this component of compensation has been sought to be deleted in *United India Insurance Co. Ltd. v. Satinder Kaur* (2021) 11 SCC 780.



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- c) *Loss of estate and funeral expenses* have been granted at Rs. 50,000/- and Rs. 25,000/-, respectively, which ought to have been Rs. 15,000/- each, and the *loss of expectancy of life* ought not to be granted as a separate figure since that has also been embedded in the *loss of dependency*.
6. The Court, considering the principles of ***Pranay Sethi*** (*supra*), finds that the plea canvassed by the Insurance Company for the re-alignment of compensation on these counts, is sustainable.
7. As regards the plea for enhancement, it is argued by the counsel for claimants that minimum wages of semi-skilled worker in Uttar Pradesh were taken at Rs. 5,161/- per month by the MACT, as discussed in *paragraph 14* of the impugned award. However, since the MACT considered the deceased to be only 8th pass on the basis of documents then available on record, these minimum wages were considered. During the proceedings, additional certificates of Secondary Examinations and Intermediate Examinations came to light, and by order dated 09th December 2025, this Court granted liberty to the Insurance Company to verify the same.
8. The Insurance Company has reverted with communication dated 06th April 2026 from the Investigator, stating that the said certificates pertaining to the Intermediate Examination and the Matriculation Board Examination are genuine. In these circumstances, the minimum wages that ought to have been considered would be that of a skilled worker with Intermediate qualification and would be taken at Rs. 5,300/- per month, as per the notified figures of skilled worker in Uttar Pradesh.
9. Counsel for the claimant, however, argues that since the testimony of the wife wherein she had specifically stated that the deceased was earning



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Rs. 10,000/- per month and had provided details of his employment with M/s VRTS Industries Solutions Pvt. Ltd., B-177, Phase II, Noida, Uttar Pradesh, even though there was no further evidence, the Court can indulge in some guesswork regarding the same and consider the evidence placed on record.

10. This Court in **Savita & Ors. National Insurance Company Ltd.** 2026:DHC:3626, laid down important guideposts in that income assessment should consider oral testimony, nature of work, standard of living, educational background, and surrounding circumstances, with minimum wages serving only as a benchmark and not an absolute rule. In the said case, this Court took into account the judgment in **Chandra v. Mukesh Kumar Yadav** (2022) 1 SCC 198, wherein the Supreme Court has stated that in the absence of documentary evidence, some amount of guesswork is required to be done. Relevant paragraph of the said judgment is extracted as under:

“9...In absence of salary certificate the minimum wage notification can be a yardstick but at the same time cannot be an absolute one to fix the income of the deceased. In absence of documentary evidence on record some amount of guesswork is required to be done. But at the same time the guesswork for assessing the income of the deceased should not be totally detached from reality. Merely because claimants were unable to produce documentary evidence to show the monthly income of Shivpal, same does not justify adoption of lowest tier of minimum wage while computing the income. There is no reason to discard the oral evidence of the wife of the deceased who has deposed that late Shivpal was earning around Rs.15000/ per month.”

(emphasis added)

11. The Court is, therefore, inclined to accept the plea of the claimants on



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this account. The widow of the deceased had two minor children on the date of the accident, and the deceased was a sole earning member of the family. Furthermore, her testimony contains specific details regarding the place of employment of the deceased.

12. However, counsel for Insurance Company objects to the figure of income at Rs. 10,000/- that has been provided by the wife without any proof.

13. Accordingly, the Court taking into account the issues and the discussion which have been made by this Court in *Savita (supra)*, and that the testimony of wife of the deceased was clear, cogent and sustained. The income of deceased is assessed as Rs. 10,000/- per month.

14. Since deceased was 35 years old, future prospects at 40% ought to be also be added.

15. The other issue raised by the Insurance Company pertains to the grant of interest at 12% per annum, which, in light of the principles enunciated by the Supreme Court in *Kaushnuma Begum (Smt.) & Ors. v New India Assurance co ltd & Ors.* (2001) 2 SCC 9, ought to be aligned with the rates fixed by nationalized banks on one-year fixed deposits. The applicable rate of interest for the year 2012 (year of the accident) would be approximately 9.25% per annum.

16. Revised computation of compensation is as under:

Sr. No.	Heads	Awarded by the Tribunal	Awarded by the Court
1.	Monthly income of the deceased (A)	Rs. 5,161/-	Rs. 10,000/-
2.	Add-Future Prospects (B)	Nil	40% of Rs. 10,000/- = Rs. 4,000/-



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3.	Less-personal expenses of the deceased (C)	$\frac{1}{4}^{\text{th}}$ of Rs. 5,161/- = Rs. 1,290.25/-	$\frac{1}{4}^{\text{th}}$ of Rs. 14,000/- = Rs. 3,500/-
4.	Annual loss of dependency [(A+B) - C] x 12= D]	Rs. 46,449/-	Rs. 1,26,000/-
5.	Multiplier (E)	15	15
6.	Total loss of dependency (D x E) = (F)	Rs. 6,96,735/-	Rs. 18,90,000/-
7.	Compensation for loss of love and affection (G)	Rs. 2,50,000/-	Nil
8.	Loss of expectancy of life (H)	Rs. 50,000/-	Nil
9.	Compensation for loss of consortium (I)	Rs. 1,00,000/-	Rs. 2,00,000/-
10.	Compensation for loss of estate (J)	Rs. 50,000/-	Rs. 15,000/-
11.	Compensation towards funeral expenses (K)	Rs. 25,000/-	Rs. 15,000/-
12.	Total Compensation (F+G+H+I+J+K = L)	Rs. 11,71,735/-	Rs. 21,20,000/-
13.	Interest Awarded	12%	9.25%
14.	Enhanced Compensation	Rs. 9,48,265/-	

17. By order dated 07th December 2015, this Court had directed deposit of the entire compensation before the UCO Bank, High Court of Delhi Branch and release of 50% deposited amount in favor of claimants in accordance with the directions of MACT in the impugned award.

18. Accordingly, since the total compensation and rate of interest have been revised, the final compensation will be recalculated with revised rate of interest. The balance/additional amount from what was deposited originally will be deposited with the UCO Bank, High Court of Delhi Branch within 4 weeks.

19. Out of the additional amount so deposited, an amount of Rs. 3,00,000/- will be released to claimants within a period of two weeks thereafter.



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Remaining additional amount so deposited, along with accrued interest, shall be kept in Fixed Deposit Receipts (**FDRs**) of Rs. 25,000/- each for periods of 3 months, 6 months, 9 months and so on, in succession as may be calculated. Interest accruing on said FDRs shall be credited to the designated Savings Bank Account of claimant. The amount of FDRs on maturity would be released to the Savings Bank Account of claimant upon due verification.

20. Appeals stand disposed of. Pending applications, if any, are rendered infructuous.

21. Copy of this judgment be sent to the Manager, UCO Bank, High Court of Delhi Branch for information and necessary compliance.

22. Statutory deposit, if any, be refunded to the Insurance Company.

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

(ANISH DAYAL)
JUDGE

MAY 8, 2026/ak/bp