



2026:DHC:8023



\$~6 & 7

* IN THE HIGH COURT OF DELHI AT NEW DELHI

% Date of decision: 14th September 2026

CNR No. DLHC010220572014

+ MAC.APP. 138/2014

NATIONAL INSURANCE CO LTDAppellant

Through: Mr. Pradeep Gaur, Mr. Amit Gaur,
Ms. Sweta Sinha, Mr. Kaarrtikey
Parashar, Advs.

versus

SMT SIMRAN & ORSRespondents

Through: Mr. Manish Maini, Ms. Anjali
Singh, Ms. Aastha Chauhan & Mr.
Abhinav, Advs. for R-1 to R-5.

7

CNR No. DLHC010395972026

+ MAC.APP. 554/2026

SIMRAN AND ORS.Appellants

Through: Mr. Manish Maini, Ms. Anjali
Singh, Ms. Aastha Chauhan & Mr.
Abhinav, Advs.

versus

NATIONAL INSURANCE CO LTD AND ORSRespondent

Through: Mr. Pradeep Gaur, Mr. Amit Gaur,
Ms. Sweta Sinha, Mr. Kaarrtikey
Parashar, Advs. for Insurance Co.**CORAM:**
HON'BLE MR. JUSTICE ANISH DAYAL



2026:DHC:8023



JUDGMENT

ANISH DAYAL, J (ORAL)

1. These cross-appeals have been filed assailing the impugned award dated 29th July 2013 passed by the Motor Accidents Claims Tribunal, East District, Karkardooma, Delhi (*'MACT/Tribunal'*) in MACT No.184/2011, awarding compensation of Rs. 21,17,600/- along with 7.5% interest per annum.
2. *Mr. Pradeep Gaur*, counsel appears for the Insurance Company in MAC.APP. 138/2014, which is an appeal challenging the quantum of compensation on the grant of future prospects and notional income of deceased.
3. *Mr. Manish Maini*, counsel appears for the claimants in MAC.APP. 554/2026 and seeks enhancement of compensation contending that, *firstly*, contributory negligence ought not to have been awarded at 20% and *secondly*, that interest awarded at 7.5% should instead be awarded at 9%.
4. The accident occurred on 18th April 2011, when *Sh. Sanjay @ Kalyan Singh* (hereinafter, *'deceased'*) was travelling towards Khora Jungle Petrol Pump on a motorcycle bearing no. DL-6SZ-5516. When he reached near Khora Jungle, Mayur Vihar-III, an RTV bearing no. DL-1VA-3030 (hereinafter, *'offending vehicle'*) hit the deceased.
5. The claim petition was filed on behalf of the widow, two minor children and parents. The deceased was about 33 years at the time of accident and was a matriculate, allegedly employed as a Supervisor with Metro Travels earning Rs. 12,000/- per month, as per the salary certificate *Ex. PW1/E*.



2026:DHC:8023



6. Alignment of compensation is to be done as per the principles enunciated in *National Insurance Co. Ltd. v. Pranay Sethi*, (2017) 16 SCC 680 and *United India Insurance Co. Ltd. v. Satinder Kaur*, (2021) 11 SCC. The relevant components of compensation, regarding which submissions were made by counsels for Insurance Company and claimants, are dealt with as under:

- (i) Future prospects have been wrongly awarded at 50%, instead of 40% considering that the deceased was engaged in a private job and was 33 years of age. Accordingly, the same will be granted at 40%.
- (ii) Loss of consortium shall be granted at Rs. 2,00,000/- (Rs. 40,000/- x 5) to all the claimants.
- (iii) Loss of love and affection shall not be awarded since the same has been subsumed under loss of consortium.
- (iv) Loss of estate and funeral expenses shall be awarded at Rs.15,000/-.

7. As regards the rate of interest, reliance in this regard can be placed upon the judgment of the Supreme Court in *Kaushnuma Begum (Smt.) & Ors. v. New India Assurance Co. Ltd. & Ors.*, (2001) 2 SCC 9 wherein, while interpreting the powers of the Tribunal under Section 171 of the Motor Vehicles Act, 1988 to award simple interest on compensation from the date of institution of the claim petition, it was observed that the rate of interest awarded by nationalised banks on fixed deposits ought to serve as the guiding factor while determining the rate of interest payable on compensation amounts.

8. Considering the rate of interest prevailing in 2011, the interest rate shall be considered at 9% since the claim petition was filed in May 2011.



2026:DHC:8023



9. Contributory negligence was deducted at 20%, on the basis that the deceased was not holding a valid driving license. In this regard, *Mr. Manish Maini*, has relied upon the decision of Supreme Court in ***Dinesh Kumar v. National Insurance Co. Ltd. and ors.*** 2017 INSC 1247, where the Supreme Court had rejected the relevance of lack of driving license placed on record to arrive at a finding on contributory negligence. Relevant finding of the Court is extracted as under:

“8 Insofar as the judgment of the High Court is concerned, the Division Bench has placed a considerable degree of importance on the fact that there was no visible damage to the lorry but that it was the motor cycle which had suffered damage and that there was no eye-witness. We are in agreement with the submission which has been urged on behalf of the appellant that plea of contributory negligence was accepted purely on the basis of conjecture and without any evidence. Once the finding that there was contributory negligence on the part of the appellant is held to be without any basis, the second aspect which weighed both with the tribunal and the High Court, that the appellant had not produced the driving licence, would be of no relevance. This aspect has been considered in a judgment of this Court in Sudhir Kumar (supra) where it was held as follows :

“9. If a person drives a vehicle without a licence, he commits an offence. The same, by itself, in our opinion, may not lead to a finding of negligence as regards the accident. It has been held by the courts below that it was the driver of the mini truck who was driving rashly and negligently. It is one thing to say that the appellant was not possessing any licence but no finding of fact has been arrived at that he was driving the two-wheeler rashly and negligently. If he was not driving rashly and negligently which contributed to the accident, we fail to see as to how, only because he was not



2026:DHC:8023



having a licence, he would be held to be guilty of contributory negligence...

10. The matter might have been different if by reason of his rash and negligent driving, the accident had taken place."

(emphasis added)

10. He further placed reliance upon the order of Supreme Court in ***Asha Devi and others v. Assistant Director, State Insurance and Provident Fund Department and Ors.***, SLP (C) Nos. 20709/2018.

11. *Mr. Manish Maini*, stated that the driver of offending vehicle did not appear in the witness box. Moreover, it is pointed out that the testimony of eyewitness, *PW-2*, had been placed on record who had stated that negligence was solely of the offending vehicle. No cross-examination had been done by the Insurance Company.

12. Reliance in this regard may be placed upon the decision in this Court in ***Reliance General Insurance Co. v. Kusum & Ors.*** 2026:DHC:6915, whereby, this Court traversed the law on the issue of attributing contributory negligence in case of invalid driving license. In that case, the driving license had not been produced, therefore, in the absence of evidence showing that the deceased was driving rashly, the Court held that no deduction can be made towards contributory negligence. Relevant finding of the Court is extracted as under:

"11. Having considered the aforesaid judgments, the legal position that emerges is that contributory negligence cannot be inferred merely from the violation of a statutory requirement by the victim. The essential requirement is to establish a causal connection between the act or omission attributed to the victim and either the occurrence of the accident or the nature and extent of the injuries suffered. The burden of establishing such contributory negligence lies upon the party alleging it.



2026:DHC:8023



and such finding must be supported by cogent evidence rather than conjecture or presumption. Thus, the mere absence of a driving licence, possession of an invalid or learner's licence, or any other violation of the Motor Vehicles Act, 1988, may constitute a statutory infraction, but cannot, by itself, justify a deduction from compensation.

12. In the present case, therefore, the mere fact that the driving licence of the deceased has not been produced cannot, in the absence of evidence showing that the deceased was driving rashly or negligently or that the absence of a licence contributed to the accident, constitute contributory negligence. Accordingly, unless a causal nexus between the alleged statutory violation and the accident or the resultant injuries is established, consequently, no deduction can be made from the compensation on the ground of contributory negligence."

(emphasis added)

13. It is settled law that the issue of contributory negligence, if any, has to be proved by Insurance Company and since no evidence was led either by the driver or Insurance Company, same cannot be taken into account. Moreover, simply holding an invalid driving licence or no driving licence does not automatically lead to a conclusion of contributory negligence as has been held by the Supreme Court in **Dinesh Kumar** (*supra*). Accordingly, the MACT's finding in relation to deducting 20% towards contributory negligence is set aside.

14. As regards the issue of salary certificate having not been proven by the claimants, reliance has been placed by Mr. Manish Maini on **Rajwati @ Rajjo & Ors. v. United India Insurance Company Ltd. & Ors.** 2022 INSC 1267. Mr. Pradeep Gaur, counsel for Insurance Company, distinguished the said decision and stated that in **Rajwati** (*supra*) evidence was also given by co-workers, in support of the employment of deceased.



2026:DHC:8023



15. Indeed, the facts in *Rajwati* (*supra*) are different and this was not an employment in the informal sector where evidence could not have been produced to substantiate the salary certificate which has been provided. This Court has also taken an opinion in *Savita & Ors. v. National Insurance Co. Ltd.*, 2026:DHC:3626 that, in case there is lack of documentary proof, other documents in support can be taken into consideration. The Court has, therefore, stated that if testimonies are not reliable, the Court may be inclined to use the minimum wage benchmark of an appropriate category.

16. In this case, deceased was a matriculate and, therefore, minimum wages prevailing at that time at Rs. 7,826/- per month will be considered.

17. Accordingly, the revised computation will be as under:

S. No.	Heads	Awarded by the Tribunal	Awarded by this Court
1	Income of deceased (A)	Rs. 12,000/-	Rs. 7,826/-
2	Add Future Prospects (B)	Rs. 6,000/-	Rs. 3,130/-
3	Less: Personal expenses of deceased (C)	Rs. 4,500/-	Rs. 2,739/-
4	Loss of dependency (A+B)-C=(D)	Rs. 13,500/-	Rs. 8,217/-
5	Annual loss of dependency (D x 12) = (E)	Rs. 1,62,000/-	Rs. 98,604/-
6	Multiplier (F)	16	16
7	Total loss of dependency (E x F) = (G)	Rs. 25,92,000/-	Rs. 15,77,664/-
8	Compensation for loss of consortium (H)	Rs. 10,000/-	Rs. 2,00,000/-
9	Compensation for loss of estate (I)	Rs. 10,000/-	Rs. 15,000/-
10	Compensation towards funeral expenses (J)	Rs. 10,000/-	Rs. 15,000/-
11	Compensation towards love and affection (K)	Rs. 25,000/-	Nil



2026:DHC:8023



12	Total compensation (G+H+I+J +K) = (L)	Rs. 26,47,000/-	Rs. 18,07,664/-
13	Less: Contributory Negligence (M)	Rs. 5,29,400/-	Nil
14	Compensation awarded	Rs. 21,17,600/-	Rs. 18,07,664/-
15	Rate of Interest Awarded	7.5%	9%

Directions

18. Accordingly, compensation has been reduced by Rs. 3,09,936/- (*'reduced compensation'*). The revised compensation shall amount to Rs. 18,07,664/- along with interest at 9% per annum from the date of filing [*'revised compensation'*].

19. By order dated 11th February 2014, Court had directed the deposit of entire compensation, along with accrued interest, before the Registrar General of this Court and further directed release of 70% of the awarded amount as per the conditions given in the impugned award.

20. If an amount in excess of the revised compensation has already been deposited before the Registrar General, that excess amount, along with the accrued interest thereon, shall be refunded to Insurance Company. Conversely, if an amount lower than the revised compensation has been deposited, the balance amount, along with accrued interest thereon, shall be deposited before the Registrar General within a period of four weeks and released to the claimants as lumpsum within two weeks.

21. By order dated 8th October 2025, this Court had allowed C.M. 62968/2025, which had been filed on behalf of claimants stating that father of deceased has since passed away. Therefore, the amount which was apportioned to the share of father of deceased will be released in favour of the widow of deceased, along with accrued interest.



2026:DHC:8023



22. Accordingly, the appeals, along with pending application(s), if any, are disposed of.
23. Statutory deposit, if any, shall be refunded to the Insurance Company, only if the order of deposit has been complied with.
24. Judgment be uploaded on the website of this Court.

(ANISH DAYAL)
JUDGE

SEPTEMBER 14, 2026/vs/sp