

GJBK010013772026



Received On: 07-04-2026  
Registered On: 07-04-2026  
Decided On: **03-07-2026**

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**BEFORE THE MOTOR ACCIDENTS CLAIMS  
TRIBUNAL [AUX.] & 3<sup>rd</sup> ADDITIONAL DISTRICT  
JUDGE, BANASKANTHA DISTRICT, AT PALANPUR.**

**MACP No.100/2026**

**Exh. \_\_\_\_\_**

**Legal heirs of deceased Sorabkhan Gulhanudinkhan  
Pathan:**

- 1. Palamjan Wd/o Sorabkhan Gulhanudinkhan Pathan**  
Age - 66 years, Occu. Household work,  
R/o Pathanvas, Vasi, Tal. Danta,  
District: Banaskantha.
- 2. Pathan Dilavarkhan S/o Sorabkhan**  
Age - 48 years, Occu. Labour work,  
R/o Pathanvas, Vasi, Tal. Danta,  
District: Banaskantha.
- 3. Pathan Joherabanu D/o Sorabkhan Pathan  
& W/o Jakirkhan Hamirkhan Pathan**  
Age – 46 Yeas, Occu. Household work,  
R/o Bhachadiya, Tal. Danta,  
District: Banaskantha.
- 4. Firojabibi D/o Sorabkhan Pathan  
& W/o Sultan Rahimkhan**  
Age – 40 Years, Occu. Household work,  
R/o Pathanvas, Surpagla, Tal. Abu Road,  
District: Shirohi (Rajasthan).

**[A. J. Kanani]**  
**Chairman,**  
**MACT (AUX.) Palanpur**

5. **Pathan Gulshanbanu D/o Sorabkhan Pathan  
& W/o Salimkhan Shardulkhan Pathan**  
Age – 35 years, occu. Household work,  
R/o Pathanvas, Jasvantgadh, Bhemal,  
Tal. Danta, District: Banaskantha. **... Petitioners**

Versus

1. **Bharatbhai Panabhai Joshi**  
Age - Adult, Occu. Business,  
R/o Brahmanvas, Juni Bhildi,  
Tal. Deesa, District: Banaskantha.  
**(Owner of Truck No. GJ-08-AY-9606)**
2. **The New India Assurance Company Ltd.**  
Circle, 104, 105, 106, First Floor,  
H.K. Tower, Hanuman Tekri, Palanpur,  
District: Banaskantha.  
**(Insurer of Truck No. GJ-08-AY-9606) ... Opponents**

**Claim for Rs.25,00,000/- u/s.166 of M.V.Act.**

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Appearances:

|                    |                             |
|--------------------|-----------------------------|
| Mr. D. R. Parmar,  | L.A. for the petitioners.   |
| Mr. N. R. Fosi,    | L.A. for the opponent No.1. |
| Mr. R. A. Thakkar, | L.A. for the opponent No.2. |

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**JUDGMENT**

[1] The petitioners, who are heirs and legal representatives of the deceased, have filed the present claim petition seeking compensation to the tune of Rs.25,00,000/- from the opponents on account of death of deceased Sorabkhan Gulhanudinkhan Pathan, due to the injuries sustained by him in an accident that

took place on 02.01.2026 at the time and place specified in para-10 of the petition involving Truck No. GJ-08-AY-9606 which was being driven in a rash and negligent manner by driver of offending truck, which was of the ownership of the opponent No.1, and which according to the petitioners was duly insured with the opponent No.2. Therefore, it is urged that the opponent Nos.1 & 2 be held jointly and severally liable to pay the amount of compensation so required to be awarded herein.

[2] It is the case of the petitioners that as on 02.01.2026, at 4:00 p.m., when the deceased was driving i10 Car No. GJ-08-DP-2372 and going towards Danta Hospital and while returning from Danta between 5:15 to 5:45 p.m. when he reached near Harivav Ghati on Danta-Ambaji Road at that time, the driver of the Truck No. GJ-08-AY-9606 came at a very high and excessive speed, in rash and negligent manner and lost the control over steering and jumped the divider, came in a wrong side and dashed with the car of the deceased It is also stated that as a result of which the deceased had suffered serious injuries and he was admitted in the Danta Civil Hospital where he was given primary treatment and thereafter he was shifted in the Mavjat Hospital, Palanpur where he died during treatment in the hospital. It is also stated that the accident taken place due to the sole negligence on part of driver of the Truck involved in the accident.

[3] It is also the case of the petitioners that the deceased was aged about 68 years at the relevant point of time and he was serving as a driver in Kheroj Anupam Primary School, Tal. Danta and earning Rs.14,000/- salary per month and he was also doing agriculture and animal husbandry work and earning total Rs.25,000/- per month. On account of his untimely death the petitioners are deprived of his income and have suffered great mental shock and also spent huge amount towards the treatment of deceased. Therefore, the petitioners have claimed Rs.25,00,000/- from both the opponents as compensation for the loss of dependency, loss of expectation of life, funeral expenses etc.

[4] The opponent No.1, is the owner of the Truck No. GJ-08-AY-9606 and is duly served and has, in fact, appeared on the record of the proceedings and has contested the petition by filing written statement which is on the record of the proceedings at Exh.8. The opponent No.1 has taken up all available defences and has, generally speaking, denied any liability to pay any amount of compensation claimed. It is submitted that the offending vehicle is insured with the opponent No.2 hence, petitioners are not entitled to get any compensation from the opponent No.1 and if Tribunal comes to conclusion to held liability then opponent No.2 insurance company is liable to pay compensation. Hence, it is requested to dismiss the petition against the opponent No.1.

[5] The opponent No.2, is the insurance company of the Truck No. GJ-08-AY-9606 and is duly served and has, in fact, appeared on the record of the proceedings and has contested the petition by filing written statement which is on the record of the proceedings at Exh.18. The opponent insurance company has taken up all available defences and has, generally speaking, denied any liability to pay any amount much less the amount of compensation claimed. It is submitted that the driver of the Truck was not holding valid driving licence. It is specifically stated that there was no negligence on the part of the driver of the Truck, but actually the accident occurred due to sole negligence on part of deceased himself. The age and income of deceased is also denied. The opponent has, generally speaking, sought for a dismissal and rejection of the present application.

[6] It is in the background of such rival pleadings that this Tribunal was pleased to frame the issues as follows Exh.12:

- (i) Whether the applicants prove that the deceased had died due to rash and negligent driving on part of the driver of the vehicle involved in this accident?
- (ii) Whether the applicants are entitled to get compensation? If yes, from whom and what amount ?
- (iii) What order and award?

[7] My findings on each of the issues are as hereinafter follows:

- (i) In the affirmative. Driver of Truck No. GJ-08-AY-9606 was solely negligent for causing the accident.
- (ii) In the affirmative and as per the amount quantified.
- (iii) As per final judgment and award.

[8] The petitioners have relied both on oral and documentary evidence in an effort to establish their entitlement to the claim. It would be necessary, at the outset, and before ascribing my reasons for arriving at the findings above, to refer to the documentary evidence which are in the shape of :-

| Sr. No. | Description                                  | Exh./ Mark |
|---------|----------------------------------------------|------------|
| 1       | Charge-sheet filed against truck driver      | 20         |
| 2       | Pass-book showing account ledger of deceased | 21         |
| 3       | F.I.R.                                       | 22         |
| 4       | Panchnama of scene of accident               | 23         |
| 5       | Panchnam of vehicle                          | 24         |
| 6       | Inquest Panchnama                            | 25         |
| 7       | Postmortem Note of deceased                  | 26         |
| 8       | Driving licence of Truck Driver              | 27         |
| 9       | R.C. Book of Truck No. GJ-08-AY-9606         | 28         |
| 10      | Insurance policy of Truck No. GJ-08-AY-9606  | 29         |
| 11      | Goods permit of Truck No. GJ-08-AY-9606      | 30         |
| 12      | Driving license of deceased                  | 31         |
| 13      | Pedigree of deceased                         | 32         |

**[A. J. Kanani]**  
**Chairman,**  
**MACT (AUX.) Palanpur**

|    |                                                                  |    |
|----|------------------------------------------------------------------|----|
| 14 | Death certificate of deceased                                    | 33 |
| 15 | Salary certificate issued by Kheroj Anupam Primary School, Danta | 34 |
| 16 | School Leaving Certificate of deceased                           | 35 |

[9] The oral evidence on the record of the proceedings are as under:

| Sr. No. | Description                                               | Exh. |
|---------|-----------------------------------------------------------|------|
| 1       | Affidavit of Pathan Dilawarkhan Sorabkhan-Petitioner No.2 | 14   |

[10] This set of evidence is required to be considered to decide fate of the present petition.

### **REASONS**

#### *Issues No.1 and 2:*

[11] Since the evidence, both documentary and oral, is germane and common to these issues, they are dealt with together for the sake of convenience.

[12] I have heard counsels for the parties, perused the record and considered arguments of both the parties. Also perused written arguments submitted by L.A. for the petitioners at Exh.38 and opponent No.2 at Exh.39. The issue-wise findings of this Tribunal are as under:

[13] Learned advocate for the petitioners has specifically contended that as per the complaint the accident taken place due to the sole negligence on part of driver of the Truck No. GJ-08-

AY-9606 and charge-sheet was also filed against the driver of the said Truck. It is also contended that even in petition also it is mentioned that the accident taken place due to the sole negligence on part of driver of the Truck. Thus, in this case the deceased was not at all liable for the accident. He has also argued on the point of quantum of compensation and has submitted that the opponents No.1 and 2 are jointly and severally liable to pay compensation to the petitioners.

[14] On the other hand L.A. for the opponent No.2 insurance company has mainly contended that there is head on collision between both the vehicles. It is also contended that the deceased came driving his car at a very high and excessive speed and due to his own negligence the said accident taken place. It is also contended though the charge-sheet is filed against the driver of the Truck, but as it generally happens that charge-sheet is used to file against the big vehicle, but in this case the deceased was also liable for the accident. He has also contended that if Tribunal comes to conclusion to held negligence of the driver of the truck then 50% negligence of the deceased should be considered. It is also submitted that opponent Nos. 3 to 5 being married daughter of the deceased are not entitled to get any compensation. He has relied upon **(1) First Appeal No.2290/2007, order dated 14.10.2022 (2) Civil Appeal No.8179/2022, order dated 09.12.2022.** Hence, it is requested to pass just and proper order.

[15] I have considered the rival submissions. The petitioners have pleaded negligence on the part of driver of the Truck No. GJ-08-AY-9606. Petitioner No.2 has deposed before this Tribunal same as his pleadings. Nothing adverse has come out from his cross-examination. He has admitted that he has not seen the accident. He has also admitted that no proof of income is produced on record. It also appears that driver of the offending truck came in rash and negligent manner and at a very high speed and came in wrong side and jumped the divider and dashed with the car of the deceased. It is pertinent to note here that driver or owner of the Truck No. GJ-08-AY-9606 has not stepped into the witness box to deny the allegations of negligence made against the driver of the said Truck. It appears from the complaint at Exh.22 that the complaint is filed by Dilavarkhan Sorabkhan (petitioner No.2) who happens to be son of the deceased. He has clearly stated in his complaint that the alleged accident occurred due to the rash and negligent driving on part of driver of the Truck No. GJ-08-AY-9606. As a result of which his father had suffered serious injuries hence he was admitted in the hospital where he died and after the accident the driver of the Truck fled away from the place of accident. The panchnama of place of accident also supported the facts of the complaint and it also appears and also admitted by L.A. for the opponent No.2 insurance company that the charge-sheet is also filed against the driver of the Truck No. GJ-08-AY-9606. Further charge-sheet which is filed against the driver of the Truck which is also not

challenged. In any case, the documentary evidence in the shape of certified copies of the FIR, Panchnama of place of accident, deposition, statement of opponent, and the PM Report, clearly establish that the deceased sustained injuries in an accident that took place at the time and place, and in a manner specified in the petition and succumbed to it in the course of treatment. Thus, it is proved that the accident taken place due to the sole negligence on part of driver of the Truck No. GJ-08-AY-9606. Accordingly, I answer the Issue No.1 in the affirmative.

[16] As a natural consequence, and since having found issue No.1 in favour of the petitioners and in the affirmative, it necessarily follows that the petitioners are entitled to the compensation as claimed. The only question that now remains is computing and assessing the quantum of compensation which is required to be awarded herein. Each of the learned advocates for the contesting parties have made submissions under separate heads, which I propose to deal with as hereinafter follows, and after considering the rival submissions, I propose to make a specific award under each head as hereinafter follows.

[17] Age of the deceased at the time of accident is pleaded as 68 years. The petitioners have produced School Leaving certificate of deceased at Exh.35 in which date of birth of deceased is mentioned as 25.07.1958. The alleged accident occurred on 02.01.2026. Therefore, it can be said that age of the deceased was 67 years and 5 months at the time of accident.

[18] L.A. for the petitioners has submitted that the deceased was serving as a driver in Kheroj Anupam Primary School, Tal. Danta and earning Rs.14,000/- salary per month and he was also doing agriculture and animal husbandry work and earning total Rs.25,000/- per month. In support of his submission he has produced on record salary certificate issued by Kheroj Anupam Primary School, Tal. Danta at Exh.34 from which it reveals that deceased was getting salary of Rs.14,000/- per month. Further, petitioner No.2 has also stated in his chief-examination that deceased was also doing agriculture and animal husbandry work and in all earning more than Rs.25,000/- per month. Thus, in view of the aforesaid circumstances and also looking to the deposition of the petitioner No.2 and salary certificate of the deceased, in this case, I find it just and appropriate to consider monthly income of the deceased at Rs.15,000/- and annually Rs.1,80,000/- for the calculation of the loss of dependency.

[19] **The Hon'ble Supreme Court in the case of National Insurance Co. Ltd. v. Pranay Sethi, 2017(4) TAC 673 (SC), held that;** *“Taking into consideration the cumulative factors, namely, passage of time, the changing society, escalation of price, the change in price index, the human attitude to follow a particular pattern of life etc., an addition of 40% of the established income of the deceased towards future prospects where the deceased was below 40 years, an addition of 25% where the deceased was between 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.”*

[20] But, as stated above, age of the deceased was 67 years and 5 months at the time of accident. Hence, looking to the age of the deceased, no prospective income of the deceased can be assessed in the present claim petition.

[21] In the present petition, petitioner No.2 being son of the deceased and Nos.3 to 5 being daughters of the deceased and all are major hence, petitioner No.1 is the only one dependent. Therefore, one-third of the income is required to be deducted which the deceased would have spent for his own maintenance and personal expenses. Therefore, taking one-third of the annual income of Rs.1,80,000/- it would come to Rs.60,000/- and yearly dependency would come to Rs.1,20,000/-.

[22] In order to capitalize the loss of dependency, appropriate multiplier is required to be adopted. In Sarla Verma's case, for the age group of 66 years to 70 years, multiplier of 5 is provided. Therefore, we may adopt multiplier 5 for capitalizing the loss of dependency. On multiplying Rs.1,20,000/- by multiplier 5, the loss of dependency would come to Rs.6,00,000/-. Therefore, the petitioners are entitled to get **Rs.6,00,000/- as compensation under the head of loss of dependency.**

[23] The Learned Counsel for the petitioners submitted that as the deceased was 68 years of age at the time of accident hence

petitioner No.1 being widow is entitled to get Rs.1,00,000/- towards loss of consortium and petitioner Nos. 2 to 5 are entitled to get Rs.1,00,000/- of each toward parental consortium. The petitioners are also entitled to get Rs.1,00,000/- towards loss of estate and Rs.50,000/- towards funeral expenses. On the other hand Ld. Advocate for the insurance company has strongly opposed that contention and emphasized that the consortium should be given to the spouse only.

[24] Before dealing with the rival contention, at this juncture, ratio laid down by the constitutional bench of the Hon'ble Apex Court in the case of The *National Insurance Company -Versus- Pranay Sethi and oth., reported as 2017(16) SCC 680.* in which Hon'ble Apex court has elaborately discussed the issue and concluded in para 59.8. for the uniformity. According to guideline rendered in above para this tribunal is awarded a sum of Rs.15,000/- under the head of 'funeral expenses', Rs.40,000/- under the head of loss of consortium and Rs.15,000/- under the head of loss of estate.

[25] Thus, in view of the ratio of the aforesaid judgments and discussion a sum of **Rs.70,000/-** supposed to be awarded under conventional heads. Now the question arise to be considered is with regard to award of compensation to the claimant under the loss of consortium. The question is only the wife who is entitled for the consortium or the consortium can be awarded to the children also. Above question is not in *res integra* as in the case

of *Megma Gen. Ins. Co. Ltd. Vs Nanuram @ Chuhruram & Ors. Reported in (2018) 18 SCC page No.130.* Hon'ble Apex Court interpreted consortium to be compendious which encompasses spousal consortium, parental consortium as well as filial consortium. The right to consortium would include the company, care, help, comfort, guidance, solace and affection of the deceased, which is a loss to his family with respect to a spouse it would include sexual relation with the deceased spouse. Further, a three judges bench of Hon'ble Apex Court in the case of *United India Ins. Co. vs. Satindar Kaur @ Satvinder Kaur, reported in (2020) SCC Online 410* had reaffirmed the view of two judges bench in *Megma Gen. Ins. Co. Ltd. (supra)*. Thus, in *Satindar Kaur's Case (supra)*, Hon'ble Apex Court has approved the comprehensive interpretation given to the expression 'consortium' to include spousal consortium, parental consortium, as well as filial consortium. Ld. Advocate of insurance company again resisted the contention of the consortium and argued that the case law of *Sangeeta Arya (supra)* (which was relied by the I.C.) was delivered later to the case of *Megma Gen. Ins. Co. (supra)*. Ld. Advocate has emphasized that the case of *Sangeeta Arya (supra)* should be believed as it is a new case law. The case of *Satendar Kaur @ Satvinder Kaur (supra)* was delivered shortly after the judgment of *Sangeeta Arya (supra)* and specifically laid down that both spousal and parental consortium are payable. Further, division bench of the Hon'ble Apex Court in the case of *The New India Ins. Co. Vs Somvati and Ors., in*

Civil Appeal No.3093 of 2020 (arising out of SLP (C) No.23478 of 2019) had reaffirmed the view of *Satendar Kaur @ Satvinder Kaur (supra)* by referring the para no.53 to 65. The relevant Para No.65 of Satendar Case referred in the Smt. Somvati Case is reproduced hereunder for the ready reference.

“65. The Tribunals and High Courts are directed to award compensation for loss of consortium, which is a legitimate conventional head. There is no justification to award compensation towards loss of love and affection as a separate head.”

[26] Further it is required to note here that on above case, the case of *Sangeeta Arya (supra)* has been discussed at length and Hon'ble Apex Court in paragraph no.41 has laid down that "no ratio from the Sangeet Arya judgment be deciphered from the judgment of Sangeeta Arya that the consortium is only triable as a spousal consortium and consortium is not triable to children and parents." So far as the case law of *Bhagatsingh Rawat (supra)* is concerned, the strength of the bench is of two Hon'ble Judges wherein bench of three Hon'ble Judges of the Hon'ble Supreme Court in *Somvati (supra)* has discussed issue at length and helped that consortium also include the parental consortium as well as filial consortium. So the case law relied by the Ld. Advocate for the insurance company is not helpful to them. Thus, a three judge bench of the Hon'ble Supreme Court approved the comprehensive interpretation given to the expression consortium

to include spousal consortium, parental consortium as well as filial consortium. In view of the above discussions, in case where parents lost their child, the parents are entitled to be awarded loss of consortium under the head of Filial Consortium similarly, where children lost their parents, the children are entitled to be awarded loss of consortium under the head of Parental Consortium. Further, by considering the above case laws, child is entitled for the Parental Consortium. The question arose is whether the adult or married child are entitled for the Parental Consortium? By considering the above judgments the age of the child or the marital status has not been discussed for the Parental Consortium. Having said that the Filial Consortium is discussed in length and in that the parents have right to get filial consortium for the death of the child, wherein it was clarified that the child means where the child is minor or unmarried. Thus this tribunal deems fit to take help of the interpretation of the Hon'ble Apex Court regarding age of child considered in filial and this tribunal held that age of the child must be minor to get the parental consortium considering the just and fair compensation. So, in the interest of justice and for fair compensation this Tribunal deems fit to consider that the child who is minor is entitled to get parental consortium as interpreted in Filial Consortium by the Hon'ble Apex Court. On above comprehensive interpretation by the Hon'ble Apex Court for the term consortium, let us now go through the fact of the case on hand.

As per the record, petitioner No.1 is the wife of the deceased so she will be entitled for spousal consortium whereas petitioner Nos. 2 to 4 are major and married and therefore, they are not entitled to get Filial or parental consortium.

[27] Further, Hon'ble Supreme Court in case of *Rashmita Biswal and Others vs. National Insurance Co. in Civil Application No.7549/2021 arising out of SLP © No.23177 of 2018 dated 8/12/2021* has enhanced the conventional heads with 10% by referring the judgment of *Pranay Sethi (supra)*. The relevant para No.16 of the judgment has reproduced hereunder for the ready reference.

16. In *Pranay Sethi*, this Court has awarded a total sum of Rs.70,000/- under conventional heads, namely, loss of estate, loss of consortium and funeral expenses. The said Judgment of the Constitution Bench was pronounced in the year 2017. Therefore, the claimants are entitled to 10% enhancement. Rs.16,500/- is awarded towards loss of estate and conventional expenses and Rs.44,000/- is awarded towards spousal consortium.

[28] Thus by considering the above case law the Hon'ble Supreme Court has awarded the 10% addition in conventional heads as per the law laid down in the judgment of *Pranay Shetty*. Further by going through the paragraph no.59.8 of the judgment of *Pranay Shetty* it is clearly directed by Hon'ble Apex Court that *the amount of conventional heads should be enhanced at the rate of 10% in every three years.* So far as the

judgment of Pranay Shetty is concerned, it was declared on dt.31/10/2017 so on 31/10/2023, six years has been completed so the petitioner are entitled for 20% addition in the conventional heads fixed in the judgment of Pranay Shetty.

[29] Thus, petitioners are entitled to the following amount of the compensation under the different heads:

| Sr. No. | Particulars                                           | Amount Rs.        |
|---------|-------------------------------------------------------|-------------------|
| 1.      | Future Loss of dependency                             | 6,00,000/-        |
| 2.      | Funeral Expense<br>(20% enhanced)                     | 18,000/-          |
| 3.      | Loss of Estate<br>(20% enhanced)                      | 18,000/-          |
| 4.      | Loss of Spousal Consortium<br>(spouse) (20% enhanced) | 48,000/-          |
|         | <b>Total Compensation</b>                             | <b>6,84,000/-</b> |

[30] The petitioners have claimed an amount of Rs.25,00,000/-. However, in view of the above, the petitioners are entitled to get compensation of **Rs.6,84,000/-** only.

### ***Liability***

[31] In appears from the R.C. Book at Exh.28 that the Truck No. GJ-08-AY-9606 was in the ownership of opponent No.1 and the insurance policy of the said Truck which is produced at Exh.29 shows that the said vehicle was duly insured with the opponent No.2 New India Assurance Company for the

period from 24.06.2025 to 23.06.2026, covering the date of accident 02.01.2026. Therefore, opponent Nos.1 and 2 who are respectively owner and insurer of Truck No. GJ-08-AY-9606, are held jointly and severally liable to pay compensation to the claimants. Hence, issue No.2 is answered accordingly.

### **Rate of Interest**

[32] Learned Counsel for the Petitioners submitted that petitioners be awarded interest at the rate of 12% on the awarded amount. On the other hand Learned Counsel for the opponent No.2 submitted that the petitioners may be awarded the interest at the rate of 6% on the awarded amount. I have considered the rival contentions and perused the records. It shows that the accident took place in the year 2025. In the year 2025, the rate of interest in FDR was on a higher side. In **Abati Bezbaruah v. Dy. Director General, Geological Survey of India and Another [(2003) 3 SCC 148]**, the Hon'ble Supreme Court has held that: -

*“The rate of interest must be just and reasonable depending upon the facts and circumstances of each case and taking all relevant factors including inflation, change of economy, policy being adopted by Reserve Bank of India from time to time, how long the case is pending, permanent injuries suffered by the victim, enormity of suffering loss of future income, loss of enjoyment of life etc., into consideration.”*

[33] Thus, having regard to the facts and circumstances of the case, in the light of the judgment of Abati Bezbaruah (*supra*), it would be just and proper to award the simple interest at the rate of 9% p.a. Accordingly, the **petitioners shall be entitled to get simple interest at the rate of 9% p.a. on the awarded amount of claim** from the date of filing of claim petition till payment of awarded amount.

**Tax to be Deducted at Source:**

[34] In **Hansaguri Prafulchandra Ladhani v. Oriental Insurance Company Limited**, reported as 2007 ACJ 1897, the **Division Bench of Hon'ble Gujarat High Court has laid down the guidelines regarding the Tax Deducted at Source**. In this judgment, the Hon'ble High Court directed that if amount of interest calculated on the awarded amount does not exceeds Rs.50,000 per year per petitioner, then no TDS shall be deducted by the Insurance Company/ Respondents at the time of depositing the awarded amount along with interest in the Tribunal, therefore, in view of this Judgment, the Respondents/ Insurance company is hereby directed not to deduct the TDS if the amount of interest does not exceeds Rs.50,000/- per year per petitioner.

[35] In the event, and in light of my findings above, I deliver the following final order:

**FINAL ORDER**

- (i) The petition is hereby partly allowed.
- (ii) The opponent Nos.1 and 2 are hereby ordered to pay jointly and severally a sum of **Rs.6,84,000/- (Rupees Six Lacs Eighty Four Thousand Only)**, less principal amount awarded u/s 140 of the MV Act, if any paid, within 30 days with interest at the rate of 9% per annum from the date of petition till the date of payment to the petitioners.
- (iii) The opponents do pay costs of the claimants and also bear that of their own.
- (iv) Out of the above said amount, after deducting deficit Court fees if any, **petitioner No.1 would be entitled to the 40%, and remaining amount be apportioned between the petitioner Nos.2 to 5 equally, i.e. 15% each.**
- (v) Total amount of interest accrued on the principal amount of compensation is to be apportioned on financial year to financial year basis, and if the interest payable to the respective petitioner for any financial year exceeds Rs.50,000/-, insurance company/ owner is/are entitled to deduct appropriate amount under the head of 'Tax Deducted at Source' as provided u/s 194A(3)(ix) of the Income Tax Act, 1961. If the amount of interest does not exceed Rs.50,000/- in any financial year, Registry of this

Tribunal is directed to allow the respective petitioner to withdraw the amount, as directed hereinafter, without producing the Certificate from the concerned Income Tax Authority.

- (vi) It is further directed that compensation amount shall be deposited directly into the bank account maintained by this Tribunal by RTGS or NEFT mode within 30 days in compliance with the directions given by Hon'ble Supreme Court in Bajaj Alliance General Insurance Co. v. Union of India, Writ Petition (s) (Civil) No. 534 of 2020 as well as directions given by Hon'ble High Court of Madras in Civil Misc. Appeal No.428 of 2016 decided on 11th March, 2016 titled as Divisional Manager, The Oriental Insurance Co. Ltd. v. Rajesh & Ors.
- (vii) The aforesaid opponent/s is/are directed to deposit the amount of compensation through RTGS / NEFT in Bank account details of **Motor Accident Claims Tribunal, Banaskantha at Palanpur**, as under:

|                     |                                                       |
|---------------------|-------------------------------------------------------|
| Name of Bank :      | <b>STATE BANK OF INDIA</b>                            |
| Name of Account :   | <b>MACT, DISTRICT COURT,<br/>PALANPUR</b>             |
| Bank Branch Name :  | <b>OPP. OLD GANZ BAZAR,<br/>MAIN BRANCH, PALANPUR</b> |
| Bank Account No.:   | <b>40902081331</b>                                    |
| Bank IFSC Code No.: | <b>SBIN0000443</b>                                    |
| Email address:      | <b><u>mact-palanpur@gujarat.gov.in</u></b>            |

- (viii) On such realization of the above said amount, after deducting deficit Court fees if any, **30%** amount of their share shall be paid in cash by RTGS or NEFT mode to the petitioner Nos.1 to 5, while remaining **70%** amount be deposited in their names in Fixed Deposit Receipt for a period of 5 years in any nationalized bank with liberty to withdraw interest periodically by the applicants. The bank shall not allow any loan or advances against the above said Fixed Deposit Receipt without previous permission of this Tribunal.
- (ix) Award be drawn accordingly.

Pronounced in the open Tribunal today this **3<sup>rd</sup> day of July, 2026.**

**Date :- 03-07-2026**  
**Place:- Palanpur.**

*VISHAL*

**(Amitkumar J. Kanani)**  
Chairman,  
M.A.C. Tribunal (Auxi.) &  
3<sup>rd</sup> Additional District Judge,  
B.K. District, Palanpur.  
(Code : GJ00662)