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

+ **MAC.APP. 500/2025 & CM APPL. 49297-49298/2025**

SHRIRAM GENERAL INSURANCE CO. LTDAppellant

Through: Ms. Niyati, Advocate.

versus

BITU KUMAR & ORS.

.....Respondents

Through:

CORAM:

HON'BLE MS. JUSTICE TARA VITASTA GANJU

ORDER

% **12.08.2025**

CM APPL. 49298/2025 [*Exemption from filing certified copies*]

1. Allowed, subject to just exceptions.
2. The Application stands disposed of.

MAC.APP. 500/2025 & CM APPL. 49297/2025 [*Stay*]

3. The present Appeal has been filed on behalf of the Appellant under Section 173 of the Motor Vehicle Act, 1988 [hereinafter referred to as “MV Act”] impugning the award dated 05.05.2025 [hereinafter referred to as “Impugned Award”] passed by the learned Presiding Officer, MACT (SE), Saket Courts, New Delhi. By the Impugned Award, an amount in the sum of Rs.58,29,449/- along with interest at the rate of 9 % per annum has been awarded by the learned Tribunal.
4. Learned Counsel for the Appellant submits that he limits his challenge in the present Appeal to a finding of the learned Tribunal which grants pay



and recovery rights to the Appellant against Respondent Nos.2/Driver and 3/Owner of the vehicle.

5. Learned Counsel for the Appellant submits that the recovery rights have been granted to the Appellant when the accident took place on 01.09.2022 after amendment to the MV Act was done, whereby the provision for pay and recover was deleted. Thus, it is contended that the Impugned Award, to the extent that it grants the recovery rights, suffers from an infirmity.

6. Issue Notice. On steps being taken, let Notice be issued to the Respondents *via* all modes. An affidavit of service be filed within a week.

7. Subject to the deposit of entire decretal amount inclusive of up-to-date interest within a period of 6 weeks, the operation of the Impugned Award shall remain stayed till the next date of hearing. In the event, there is any default in depositing the amount, the interim protection granted by this Court shall automatically stand vacated.

8. Concededly, the recovery rights have been granted to the Insurance Company which is contrary to the law as amended by the Motor Vehicle Amendment Act, 2019. The MV Act is a beneficial legislation and the real object of the MV Act, is to compensate for the loss of earning member of the family or for the injuries suffered by the claimant(s), and the same will be achieved if the compensation can be disbursed without any delay.

8.1 The Supreme Court in the case of ***Parminder Singh v. Honey Goyal and Others***; 2025 SCC OnLine SC 567 has held that MV Act is a beneficial legislation and the object of the MV Act is to compensate for the loss of earning member of the family or for the injuries suffered by the claimant(s), and the same will be achieved if the compensation can be disbursed without



any delay. The relevant extract of the ***Parminder Singh*** case is below:

*“19. It is also a fact that substantial amount of compensation in motor accident cases remains deposited in the Tribunal as the claimant(s) may not have approached the Tribunal for release thereof for various reasons. Delay for any reason in release of compensation in motor accident cases by the Tribunal to the claimant(s), where the amount is deposited in Tribunal, as directed, results in loss of interest to the claimant(s). In case the aforesaid process is followed, the gap would be bridged. **The real object of the beneficial legislation, namely to compensate for the loss of earning member of the family or for the injuries suffered by the claimant(s), will be achieved and compensation can be disbursed without any delay.**”*

[Emphasis Supplied]

8.2 Since, the Impugned Award has been kept in abeyance while this issue is decided by the Court, this Court deems it apposite to direct that some amount of compensation once deposited by the Appellant be released to the Respondents/Claimants.

8.3 Upon deposit by the Appellant, 35% of the deposited amount inclusive of up-to-date interest shall be released to the Respondent No.1/claimant in accordance with scheme, as is set out in the Impugned Award.

9. The Registry is directed to place on record the digital copy of the Trial Court Record duly paginated and book-marked in accordance with the rules of the High Court.

10. List before concerned Registrar on 03.09.2025 for completion of service.

11. List along with MAC. APP. 273/2024 captioned ***Magma HDI GIC Ltd v. Bebi Devi & Ors.*** and related matters on 17.12.2025.

12. Needless to add, the order passed for release shall be subject to the outcome of the Appeal.



13. The parties shall act based on the digitally signed copy of the order.

AUGUST 12, 2025/ ha

TARA VITASTA GANJU, J