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* IN THE HIGH COURT OF DELHI AT NEW DELHI

% Date of decision: 26th May 2026

+ MAC.APP. 988/2016

RAM DUTT & ANR

.....Appellants

Through: Mr. Santosh Chauriha, Advocate with
Ms. Suman Mishra Advs. (thru VC)

versus

SUBE SINGH & ORS (IFFCO TOKIO GENERAL INS CO LTD)

.....Respondents

Through: Ms. Suman Bagga and Ms. Mouli
Sharma, Advs. for R-3/Insurance
Company.

CORAM:

HON'BLE MR. JUSTICE ANISH DAYAL

JUDGMENT

ANISH DAYAL, J (ORAL)

1. This appeal has been filed seeking enhancement of compensation awarded by the impugned Award dated 31st March 2016 passed by Motor Accident Claims Tribunal ('MACT), North District, Rohini Courts in Suit No 85/2010 at Rs.18,09,787/- along with interest @9% per annum was awarded to the claimants.

2. The accident occurred on 28th December 2009, when *Rajeev*, the deceased, was hit by an offending vehicle bearing registration no. HR-05W9799 driven by respondent no. 1. The deceased *Rajeev* was pursuing his studies and was in third year of B. Tech (Mechanical Engineering).



3. The issue raised by *Mr. Santosh Chauriha*, counsel for appellant/claimant, is on the issue of consideration of prospective income, *future prospects*, multiplier to be applied and the non-pecuniary damages.
4. As regards the prospective income, he draws attention to the evidence of **PW-3** and **PW-5**, who testified that they batchmates of deceased and are now getting monthly salary of about *Rs.35,000/-* per month.
5. *Ms. Suman Bagga*, counsel for the Insurance Company, however, points out that these testimonies were recorded in 2014, while the accident took place in 2009 and, therefore, the estimation by the MACT taken *Rs.25,000/-* is more than adequate.
6. The Court has also taken into account the recent decision of the Supreme Court in *S. Mohammed Hakkim v. National Insurance Co. Ltd.*, (2025) 10 SCC 263, wherein the accident involved a 20-year-old student in the third year of an Engineering College, who lost his left leg due to the accident. The notional income was assessed at *Rs. 20,000/-*.
7. In this view of the matter, as also the testimony of batchmates five years down the line the Court is not inclined to displace the assessment by the MACT, finding it to be just and reasonable.
8. As regards future prospects, considering that the deceased was below 40 years of age, as per principles enunciated in *National Insurance Co. Ltd. v. Pranay Sethi*, (2017) 16 SCC 680, would be granted at 40%, and the multiplier which was wrongly applied according to the age of the father of the deceased at 11, shall be taken as 18.
9. Considering that the deceased was a bachelor there would be a deduction of 50% towards personal and living expenses, the finding of the



Tribunal in this regard is upheld.

10. Further, the compensation granted under the head of conveyance by the Tribunal does not fall within the conventional heads enumerated in *Pranay Sethi (supra)* and the same is liable to be deducted.

11. The non-pecuniary amounts shall be realigned, as per the principles of *Pranay Sethi (supra)* as under:

- (i) Loss of love and affection will be deleted, as per *United India Insurance Co. Ltd. v. Satinder Kaur*, (2021) 11 SCC 780.
- (ii) Loss of estate will be Rs.15,000/-;
- (iii) Loss of funeral expenses will be at Rs.15,000/-; and
- (iv) Loss of consortium, which has not been granted, will be at Rs.40,000 x2, totalling Rs. 80,000/- considering the claimants being the parents of the deceased.

12. A plea has been raised by *Ms. Suman Bagga*, counsel for the Insurance Company, with regard to the rate of interest which would should be applied on the enhanced compensation, considering that the accident occurred in the year 2009 and the MACT had awarded interest @ 9% per annum.

13. Reliance in this regards 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 MV Act 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.



14. In the facts of the present case, since the long-term fixed deposit rates offered by nationalised banks during the year 2010, *i.e.* the year of filing of the claim petition, were between 7% and 7.75% per annum, the interest on the compensation is accordingly modified to 7.5% per annum from the date of filing of the claim petition, as opposed to 9% per annum awarded by the Tribunal.

15. Considering that the accident happened in 2009 and the award was passed in 2016, more than 15 years have lapsed since the death of deceased. Considering the long pendency the interest applicable on the original compensation awarded by the Tribunal shall continue to 9% per annum. It is clarified that the interest @7.5% per annum shall be applicable only on the enhanced compensation.

16. The revised compensation is as under:

S.no.	Heads of Compensation	Awarded by the Tribunal	Awarded by this Court
1.	Medical Expenses (A)	Rs. 19,787/-	Rs. 19,787/-
2.	Loss of income per month (B)	Rs. 25,000/-	Rs. 25,000/-
3.	Future Prospects @40% (C)	Nil	Rs. 10,000/-
4.	Less Personal expenses of the deceased (D) 50%	Rs. 12,500/-	Rs. 17,500/-
5.	Monthly Loss of Dependency (B+C-D=E)	Rs. 12,500/-	Rs. 17,500/-
6.	Annual loss of dependency (E x 12=F)	Rs. 1,50,000/-	Rs. 2,10,000/-
7.	Multiplier (G)	11	18
8.	Total loss of dependency (F x G = H)	Rs. 16,50,000/-	Rs. 37,80,000/-
9.	Compensation for loss of consortium (I)	Nil	Rs. 80,000/-
10.	Compensation for loss of estate (J)	Rs.10,000/-	Rs. 15,000/-



11.	Compensation towards funeral expenses (K)	Rs. 20,000/-	Rs. 15,000/-
12.	Loss of love and affection	Rs. 1,00,000/-	<i>Nil</i>
13.	Conveyance	Rs. 10,000/-	<i>Nil</i>
14.	Total compensation (G+H+I+J = K)	Rs. 18,09,787/-	Rs.39,09,787/-
15.	Rate of Interest Awarded	9%	7.5%

17. The compensation is enhanced by *Rs. 21,00,000/-*.

18. It is directed that the enhanced compensation along with accrued interest @7.5% per annum shall be deposited before the MACT within a period of four weeks. It is directed that a lump sum amount of *Rs. 5,00,000/-* shall be released to the claimants from the deposit of enhanced amount within a period of two weeks thereafter. Remaining enhanced amount, along with accrued interest, shall be kept in Fixed Deposit Receipts (**FDRs**) of *Rs. 25,000/-* each for periods of 1 month, 2 months, 3 months and so on, in succession as maybe 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 claimants upon due verification.

19. The appeal is disposed of, accordingly.

20. Pending applications, if any, are rendered infructuous.

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

(ANISH DAYAL)
JUDGE

MAY 26, 2026/MK/zb