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

% ***Reserved on : 19th January 2026***
Pronounced on: 10th March 2026
Uploaded on : 11th March 2026

\+ **MAC.APP. 983/2013**

ORIENTAL INSURANCE CO. LTD .....Appellant

Through: Mr. Pankaj Seth, Advocate

versus

SHASHI NATHANI DEOLI (KAVITA) & ORS .....Respondents

Through: Mr. S.D. Singh, Mr. Kamla Prasad, Mrs. Meenu Singh, Mr. Siddharth Singh, Mr. Mana Saini, Advocates.

CORAM:
HON'BLE MR. JUSTICE ANISH DAYAL

JUDGMENT

ANISH DAYAL, J

1. This appeal has been filed by the Insurance Company assailing the impugned award dated 27th August 2013 passed by Motor Accident Claims Tribunal ['***MACT***'], Karkardooma Courts, Delhi (hereinafter, '***Tribunal***') in M.A.C. Petition No.85-A/2013 awarding Rs. 19,82,200/- with interest at 7.5% from the date of filing of petition.

2. Appellant/Insurance Company has challenged the impugned award on the calculation of loss of dependency, considering that

respondent no.1/wife of deceased should not be considered a dependent, since she was working, therefore, the deduction towards personal expenses should be 50%; future prospects should be awarded at 25% and not 30% since the deceased was 44 years of age at the time of accident. Further, appellant/Insurance Company has contended that the Tribunal failed to conduct a proper inquiry into the factum of negligence since, apart from relying upon the criminal court record, claimant could not establish that the accident was caused due to rash and negligent driving of the offending vehicle.

Incident

3. On 7th October 2003, *Sh. Shiv Parshad Deoli* (hereinafter, *'**deceased**'*) along with some of his colleagues was going to *Sangrur* from *Patiala* in a Maruti Alto car bearing registration no.PB-13K-2449. When the car crossed *Pepsi Food*, *Chhanno*, one Tata Tempo 407 bearing registration no. RJ-31-0069 (hereinafter '***offending vehicle***'), driven rashly and negligently at a high speed, came from the opposite side and hit the Maruti Alto car resulting in fatal injuries to the deceased who died on the spot. He was said to be working with *M/s Sangrur Agro Ltd.* as Manager and as Consultant with *D.C.M. Delhi* and earning *Rs.60,000*/- per month, besides other perks and perquisites. The total income was claimed at *Rs.90,000*/- per month.

Impugned Award

4. On the issue of negligence, the Tribunal had relied upon the criminal case record ***Ex.PW1/1***, attested copies of judgments passed by the Criminal Court along with order on charge as ***Ex.PW1/3***, copy of the site plan ***Mark C*** and the decision of this Court in ***National Insurance Company Ltd. v. Smt. Pushpa Rana & Ors.*** in 2007 SCC OnLine Del 1700. Tribunal concluded that, after taking into account the first information report ('***FIR***'), site plan, *post mortem* report and testimony of ***PW-1/***wife of deceased, it was established that the death of deceased was caused due to injuries sustained by him in the road accident involving the offending vehicle, driven by respondent no.5/*Bhola Singh*, owned by respondent no.4/*Parveen Kumar* and insured by appellant/Insurance Company, as there was nothing on record to dispel the inference.

5. On account of compensation, reliance was placed on ***Ex.PW1/2***, which was a salary certificate issued by *M/s Sangrur Agro Ltd*., showing that the deceased was appointed on 1st May 2002 at a salary of *Rs.10,000*/- per month and perquisites towards rent free furnished accommodation of *Rs.2,000*/-, conveyance of *Rs.1,000*/-, meals of *Rs.1,500*/- were provided to him free of cost. Further, his salary was to be increased to *Rs.20,000*/- from 1st August 2003.

6. **PW-2/***Sh. Ram Kumar Sharma*, was employed as Personnel Manager in *Sangrur Industrial Corporation Ltd.* and produced the wages

register which showed that deceased was getting *Rs.10,000*/- per month as salary from April 2003 to October 2003. The salary of deceased was taken as *Rs.12,000*/- (including *Rs.2,000/-* towards rent free accommodation which was for the benefit of family, along with the salary of *Rs.10,000/-*). To this, *30%* was added towards future prospects and a deduction of 1/3rd of the income of the deceased was taken towards personal expenses, considering there were two dependents *i.e.* son and daughter of deceased.

7. For the purposes of calculating the age, Tribunal relied upon certificate issued by Gram Panchayat, Kanda, Uttarakhand, *i.e.* ***Ex.PW-1/8***, showing date of birth of deceased as 1st January 1959, therefore, the age was calculated as 44 years at the time of accident and a multiplier of 14 was applied. Therefore, total compensation towards dependency was awarded at *Rs. 17,47,200/-* Total compensation of *Rs.19,82,200*/- along with interest at the rate of 7.5% was awarded including the following elements:

S.no.	**Heads**	**Amount**
1.	Love and Affection	Rs. 1,00,000/-
2.	Loss of Estate	Rs. 10,000/-
3.	Funeral Expenses	Rs. 25,000/-
4.	Loss of Consortium	Rs. 1,00,000/-

Analysis

8. In order to assess whether the Tribunal was correct in relying upon the FIR and subsequent criminal proceedings to arrive at a finding regarding negligence, the Court perused the testimony of ***PW-1***/wife of deceased. She reiterated the facts of the accident and that her husband had received serious injuries on the head and died on the spot due to negligence of the offending vehicle being driven in a rash and careless manner.

9. Co-passengers, namely, *Sh. Dilla Ram Verma* and *Sh. Sanjay Kumar* travelling along with her husband had also succumbed to their injuries. She stated that a complaint was lodged by *Sh. Mohinder Pal Singh*, who was an eye-witness and was travelling in a separate car, on the basis of which, FIR No.197/2003 under sections 304A, 279 of Indian Penal Code, 1860 ('***IPC***') was registered on 17th October 2003. *Post mortem* of deceased was conducted on 18th October 2003 and the report was exhibited as ***Ex.PW1/4***. The *post mortem* report stated that her husband died due to injuries sustained by him in the accident. Further, respondent no.5/driver of the offending vehicle had fled from the site.

10. The statement of *Sh. Mohinder Pal Singh* was exhibited as ***Ex. PW1/6*** and the site plan was exhibited as ***Ex.PW1/7***.

11. The *post mortem* report notes opinion of the doctor that death was caused due to a head injury, which was *ante mortem* in nature and sufficient to cause death in the ordinary course of nature.

12. FIR registered at *PS Bhawanigarh, District Sangrur* notes the statement given by *Sh. Mohinder Pal Singh*, who was the Managing Director of *M/s Punjab Transformer & Electronics Ltd.* He stated that, on 17th October 2003, he along with *Harjinder Singh* (driver) in their Accent car, were travelling from *Patiala* to *Sangrur*. Deceased and other co-passengers were in a Maruti Alto car, which was going ahead of the car of *Sh. Mohinder Pal Singh*.

13. At about 10:30 p.m. both cars had just gone beyond *Pepsi Food Chhanno* towards *Bhawanigarh* pully culvert, when one Tata Tempo 407 coming from opposite side from *Bhawanigarh* with great speed and driven carelessly by respondent no.5/driver came on the wrong side and smashed into the Maruti Alto car.

14. He stated that the Maruti Alto car was hit before their eyes and respondent no.5/driver of the offending truck had fled. He stated categorically that the incident occurred due to the high speed and negligent driving of the Tempo driver. *ASI Birbal Singh* recorded the statement of *Sh. Mohinder Pal Singh* word by word. Site plan also showed that the accident occurred approximately in the centre of the road.

15. Considering the statement of *Sh. Mohinder Pal Singh*, who was an eye-witness, though, he was not brought to record his testimony, the FIR

resulted in a chargesheet being filed and charges were framed. Chargesheet was taken cognizance of by order dated 28th February 2004 and the accused was convicted for offence punishable under Section 304-A of IPC by order of Chief Judicial Magistrate on 9th September 2008. A perusal of the said order would show that all evidence has been taken into account and *Sh. Mohinder Pal Singh* (***PW-7***) testified and was cross-examined, moreover, the Court also considered photographs of the place of accident.

16. In these circumstances, the Tribunal was not amiss in relying upon the documentation to confirm that death was caused due to the negligence of respondent no.5/driver of offending vehicle.

17. Reference may also be drawn from decision of the Supreme Court in ***Ranjeet & Anr. v. Abdul Kayam Neb & Anr.*** 2025 SCC OnLine SC 497 and ***Meera Bai & Ors. v. ICICI Lombard General Insurance Co. Ltd.*** 2025 INSC 600, in this regard, aside from the Tribunal's reliance on ***Pushpa Rana*** (*supra*).

18. The Supreme Court in ***Ranjeet*** *(supra)* opined as under:

> *"**4.** It is settled in law that once a charge sheet has been filed and the driver has been held negligent, no further evidence is required to prove that the bus was being negligently driven by the bus driver. Even if the eyewitnesses are not examined, that will not be fatal to prove the death of the deceased due to negligence of the bus driver"*
>
> (emphasis added)

19. Relevant observations made by the Supreme Court in ***Meera Bai*** (*supra*) are extracted as under:

> *"**4.** As far as examining the eyewitness, such a witness will not be available in all cases. The FIR having been lodged and the charge sheet filed against the owner driver of the offending vehicle, we are of the opinion that there could be no finding that negligence was not established."*
>
> (emphasis added)

20. In any event, the assessment of the issue of negligence is based on preponderance of probabilities and there was enough evidence on record to conclude the same.

21. Appellant/Insurance Company did not produce respondent no.5/driver of the offending vehicle in order to controvert the issue of negligence and, therefore, nothing further was required for the Tribunal to arrive at the conclusion.

22. An argument was raised by counsel for respondents/claimants that since the accident occurred prior to decision of Supreme Court in ***National Insurance Co. Ltd. v. Pranay Sethi***, (2017) 16 SCC 680, the same principles could not apply. In this regard, reference may be made to a decision of Supreme Court in ***New India Assurance Company v. Sonigra Juhi Uttamchand***, (2025) INSC 15, where the Supreme Court stated that the High Court could not be faulted in fixing amounts in excess of the amounts fixed in ***Pranay Sethi*** (*supra*), since the judgment was passed prior to the pronouncement of the judgment in ***Pranay Sethi*** *(supra)* and stated as under:

> "9... *we are of the view that the Tribunal and the High Court cannot be found at fault with fixing the amounts in excess of the aforesaid amounts fixed by this Court*

> *as the award and the judgment of the High Courts were passed prior to the pronouncement of the judgment of this Court in* ***Pranay Sethi's*** *case. But at the same time, it is to be noted that in the decision in* ***M.A. Murthy v. State of Karnataka and Ors****, this Court held that when in a decision this Court enunciates a principle of law, it is applicable to all cases irrespective of the stage of pendency thereof because it is to be assumed that what is enunciated by this Court is, in fact, the law from inception. We may hasten to add that we shall not be understood to have held that pursuant to enunciation of a principle of law, matters that attained finality shall be reopened solely for the purpose of applying the law thus laid. But at the same time, if the matter is pending, then, irrespective of the stage, the principle cannot be ignored*."
>
> (emphasis added)

23. Further reliance may be placed upon ***MM Murthy v State of Karnataka and Ors***, (2003) 7 SCC 517, where the Supreme Court held as under:

> "8. *Learned counsel for the appellant submitted that the approach of the High Court is erroneous as the law declared by this Court is presumed to be the law at all times. Normally, the decision of this Court enunciating a principle of law is applicable to all cases irrespective its stage of pendency because it is assumed that what is enunciated by the Supreme Court is, in fact, the law from inception. The doctrine of prospective over-ruling which is a feature of American jurisprudence is an exception to the normal principle of law, was imported and applied for the first time in* ***L.C. Golak Nath and Ors. v. State of Punjab and Anr****. (AIR 1967 SC 1643). In* ***Managing Director, ECIL, Hyderabad and***

Ors. v. B. Karunakar and Ors. *(1993 (4) SCC 727) the view was adopted. Prospective over-ruling is a part of the principles of constitutional canon of interpretation and can be resorted to by this Court while superseding law declared by it earlier. It is a device innovated to avoid reopening of settled issues, to prevent multiplicity of proceedings, and to avoid uncertainty and avoidable litigation. In other words, actions taken contrary to the law declared prior to the date of declaration are validated in larger public interest. The law as declared applies to future cases. It is for this Court to indicate as to whether the decision in question will operate prospectively. In other words, there shall be no prospective over-ruling, unless it is so indicated in the particular decision. It is not open to be held that the decision in a particular case will be prospective in its application by application of the doctrine of prospective over-ruling. The doctrine of binding precedent helps in promoting certainty and consistency in judicial decisions and enables an organic development of the law besides providing assurance to the individual as to the consequences of transactions forming part of the daily affairs. That being the position, the High Court was in error by holding that the judgment which operated on the date of selection was operative and not the review judgment in* ***Ashok Kumar Sharma's*** *case No. II. All the more so when the subsequent judgment is by way of Review of the first judgment in which case there are no judgments at all and the subsequent judgment rendered on review petitions is the one and only judgment rendered, effectively and for all purposes, the earlier decision having been erased by countenancing the review applications. The impugned judgments of the High Court are, therefore, set aside*."

(emphasis added)

24. In ***Kanishk Sinha & Anr v The State of West Bengal & Anr***, (2025) INSC 278, the Supreme Court has further reviewed the issue as under:

> *"3. ...Now the law of prospective and retrospective operation is absolutely clear. Whereas a law made by the legislature is always prospective in nature unless it has been specifically stated in the statute itself about its retrospective operation, the reverse is true for the law which is laid down by a Constitutional Court, or law as it is interpretated by the Court. The judgment of the Court will always be retrospective in nature unless the judgment itself specifically states that the judgment will operate prospectively. The prospective operation of a judgment is normally done to avoid any unnecessary burden to persons or to avoid undue hardships to those who had bona fidely done something with the understanding of the law as it existed at the relevant point of time. Further, it is done not to unsettle something which has long been settled, as that would cause injustice to many."*
>
> (emphasis added)

25. Considering that the appeal is a continuation of the claim proceedings, these principles enunciated by the Supreme Court would squarely apply.

26. The Constitution Bench in ***Pranay Sethi*** (*supra*) standardized certain principles of computation of compensation and focused on the principle of standardization. *Ergo,* when a matter is pending in appeal before this Court challenging various aspects of computation, this Court

cannot ignore standardized parameters laid down by the Supreme Court and endorse *ad hoc* assessments made by the Tribunal previously.

27. The Court is aware that it had taken a view in ***United India Insurance Co. Ltd. v. Rajneesh Singh & Ors.*** 2023:DHC:8701 that there would be no deduction of *future prospects* from 50% to 40% because the assessment of Tribunal preceded the decision of ***Pranay Sethi*** (*supra*). Facts and circumstances of the case included an assessment that the injured/claimant had a permanent job as a Chartered Accountant Professional and the Insurance Company claimed a reduction in compensation. Therefore, the decision does not lay down a general principle of law, which can supersede the assessment done by the Courts at this stage.

28. Counsel for respondents/claimants has also relied upon ***Jiju Kuruvila & Ors. v. Kunjujamma Mohan & Ors.*** (2013) 9 SCC 166 which was decided in 2013, prior to ***Pranay Sethi*** (*supra*) and, therefore, would not come to assistance for pleading no reduction.

29. Further reliance was placed on *paragraph 9* and *10* of ***Kirti & Anr. v. Oriental Insurance Company Ltd.*** (2021) 2 SCC 166 by counsel for respondents/claimants to tackle the issue of subsequent changes and their effect on assessment of compensation. However, this case deals with the subsequent death of a dependent and would not support the argument raised, as in those circumstances, the Court dealt with the issue of subsequent death of a dependent during the pendency of legal

proceedings and held that it cannot be relied upon by the insurer to claim subsequent benefit, which is not the case in the present facts and circumstances.

30. Therefore, in light of the above discussion, as regards the other compensation issues, the Court is inclined to align the same in accordance with the principles of ***Pranay Sethi*** (*supra*).

31. Appellant/Insurance Company raised the issue that since the deceased had two minor children and respondent no.1/wife was employed as a Teacher and Vice-Principal with *Happy Modern School, Janakpuri* and had been working there for the last ten years, respondent no.1/wife was not a dependent and, therefore, deduction of personal expenses should be 50% rather than 1/3rd. The Court is not inclined to accept the same, considering there were at least two dependents. Even though, respondent no.1/wife was earning, it is not correct that there would not have been a contribution to the household income by the deceased, to that extent. Relying upon the parameters which have been set in ***Pranay Sethi*** (*supra*) and ***Sarla Verma & Ors. v. Delhi Transport Corporation & Anr.*** (2009) 6 SCC 121, 1/3rd deduction of the income has been rightly considered by the Tribunal.

32. Considering that deceased was 44 years of age, therefore, the multiplier was correctly taken at '14', as per ***Pranay Sethi*** (*supra*) and ***Sarla Verma*** *(supra)*

33. Compensation awarded at Rs. 1,00,000/- towards *loss of love and affection* stands deleted, as per ***United India Insurance Company***

Limited vs. Satinder Kaur Alias Satwinder Kaur and Others (2021) 11 SCC 780, as this head has been subsumed under loss of consortium. Relevant observations of the Supreme Court are extracted as under:

> *"**34.** At this stage, we consider it necessary to provide uniformity with respect to the grant of consortium, and loss of love and affection. Several Tribunals and the High Courts have been awarding compensation for both loss of consortium and loss of love and affection. The Constitution Bench in Pranay Sethi [National Insurance Co. Ltd. v. Pranay Sethi, (2017) 16 SCC 680 : (2018) 3 SCC (Civ) 248 : (2018) 2 SCC (Cri) 205] , has recognised only three conventional heads under which compensation can be awarded viz. loss of estate, loss of consortium and funeral expenses. In Magma General [Magma General Insurance Co. Ltd. v. Nanu Ram, (2018) 18 SCC 130 : (2019) 3 SCC (Civ) 146 : (2019) 3 SCC (Cri) 153], this Court gave a comprehensive interpretation to consortium to include spousal consortium, parental consortium, as well as filial consortium. Loss of love and affection is comprehended in loss of consortium.*
> ***35.** The Tribunals and the 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."*
>
> (emphasis added)

34. In respect of compensation awarded under conventional heads, the Supreme Court in ***Pranay Sethi*** (*supra*) opined as under:

> *"**52.** As far as the conventional heads are concerned, we find it difficult to agree with the view expressed in Rajesh [Rajesh v. Rajbir Singh, (2013) 9 SCC 54 : (2013) 4 SCC (Civ) 179 : (2013) 3 SCC (Cri) 817 : (2014) 1 SCC*

(L&S) 149]. It has granted Rs 25,000 towards funeral expenses, Rs 1,00,000 towards loss of consortium and Rs 1,00,000 towards loss of care and guidance for minor children. The head relating to loss of care and minor children does not exist. Though Rajesh [Rajesh v. Rajbir Singh, (2013) 9 SCC 54 : (2013) 4 SCC (Civ) 179 : (2013) 3 SCC (Cri) 817 : (2014) 1 SCC (L&S) 149] refers to Santosh Devi [Santosh Devi v. National Insurance Co. Ltd., (2012) 6 SCC 421 : (2012) 3 SCC (Civ) 726 : (2012) 3 SCC (Cri) 160 : (2012) 2 SCC (L&S) 167] , it does not seem to follow the same. The conventional and traditional heads, needless to say, cannot be determined on percentage basis because that would not be an acceptable criterion. Unlike determination of income, the said heads have to be quantified. Any quantification must have a reasonable foundation. There can be no dispute over the fact that price index, fall in bank interest, escalation of rates in many a field have to be noticed. The court cannot remain oblivious to the same. There has been a thumb rule in this aspect. Otherwise, there will be extreme difficulty in determination of the same and unless the thumb rule is applied, there will be immense variation lacking any kind of consistency as a consequence of which, the orders passed by the tribunals and courts are likely to be unguided. Therefore, we think it seemly to fix reasonable sums. It seems to us that reasonable figures on conventional heads, namely, loss of estate, loss of consortium and funeral expenses should be Rs 15,000, Rs 40,000 and Rs 15,000 respectively. The principle of revisiting the said heads is an acceptable principle. But the revisit should not be fact-centric or quantum-centric. We think that it would be condign that the amount that we have quantified should be enhanced on percentage basis in every three years and the enhancement should be at the rate of 10% in a span of three years. We are disposed to hold so because that will bring in consistency in respect of those heads."

(emphasis added)

35. Since there were three claimants, *loss of consortium* would be Rs.1,20,000/- (40,000×3), as per ***Pranay Sethi*** (*supra*) and ***Magma General Insurance Co. Ltd. vs. Nanu Ram*** (2018) 18 SCC 130.

36. *Funeral expenses* will be granted at Rs.15,000/- and *loss of estate* will be granted at Rs.15,000/- as per ***Pranay Sethi*** (*supra*).

37. Revised computation is therefore, as under:

S. No.	**Heads**	**Awarded by the Tribunal**	**Awarded by this Court**
1	Annual Income of deceased (A)	Rs. 1,44,000/- [12,000x12]	Rs. 1,44,000/- [12,000x12]
2	Add: Future Prospects (B)	Rs. 43,200/-	Rs. 57,600/-
3	Less: Personal expenses of deceased (C)	Rs. 62,400/-	Rs. 67,200/-
4	Loss of dependency (A+B)-C=D	Rs. 1,24,800/-	Rs. 1,34,400/-
5	Multiplier (E)	14	14
6	Total loss of dependency (DxE = F)	Rs. 17,47,200/-	Rs. 18,81,600/-
7	Compensation for loss of consortium (G) (40,000x3)	Rs. 1,00,000/-	Rs. 1,20,000/-
8	Compensation for loss of love and affection (H)	Rs. 1,00,000/-	Nil
9	Compensation for loss of estate (I)	Rs. 10,000/-	Rs. 15,000/-

10	Compensation towards funeral expenses (J)	Rs. 25,000/-	Rs. 15,000/-
11	Total compensation (F+G+H+I+J) = K	Rs. 19,82,200/-	Rs. 20,31,600/-
12	Rate of Interest Awarded	7.5%	7.5%

Conclusion

38. *Vide* order dated 30th October 2013, this Court directed a stay on the execution of impugned award, subject to the appellant/Insurance Company depositing the entire awarded amount, along with up to date interest accrued thereon with the Registrar General of this Court. Further, 80% amount was directed to be released to respondents/claimants and rest of the amount was kept in fixed deposit receipts (*FDR*) with UCO Bank, Delhi High Court Branch, New Delhi initially for a period of six months to be renewed periodically.

39. Enhanced amount of *Rs. 49,400/-* along with interest at 7.5% per annum from the date of filing of petition be deposited by appellant/Insurance Company within a period of 4 weeks before the Registrar General and same shall be released to respondents/claimants within a period of three weeks thereafter, subject to verification.

40. The appeal is, therefore, disposed of in the above terms.

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

42. Statutory deposit, if any, be refunded to the appellant/Insurance Company.

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

(ANISH DAYAL)
JUDGE

MARCH 10, 2026/ak/*sp*