



2026:DHC:2934



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\* IN THE HIGH COURT OF DELHI AT NEW DELHI

% *Date of decision: 01<sup>st</sup> April 2026*+ **MAC.APP. 191/2022**

ARUNA DEVI &amp; ANR.

.....Appellants

Through: Mr. Shekhar Aggarwal, Adv.

versus

ALI HASAN &amp; ORS.

.....Respondents

Through: Mr. Yuvraj Sharma, Adv. for Mr.  
Pankaj Seth, Adv. 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 Motor Accidents Claims Tribunal [*MACT*], South District, Saket Courts, New Delhi by award dated 11<sup>th</sup> June 2020 in Petition No.347/2018, whereby, Rs. 12,38,568/- alongwith interest at the rate of 9% per annum was awarded to legal representatives (*LRs*) of deceased/*Saurav* (hereinafter, *claimants*).

2. *Mr. Shekhar Aggarwal*, counsel for the claimants' states that the claim relates to the death of one minor, *Saurav* (hereinafter, *deceased*), son of *Sh. Rambahadur*. The accident occurred on 25<sup>th</sup> December 2016, when he was travelling on a motorcycle bearing registration no. DL-09TC-0667. The collision took place when an *Eicher* Truck bearing registration no. UP-17T-



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1686 (hereinafter, '*offending vehicle*'), which was allegedly being driven by the driver, rashly and negligently on the wrong side hit the motorcycle of the deceased from behind. The deceased fell on the road and sustained grievous injuries. He was taken to *GTB Hospital, Dilshad Garden, Delhi*, however, he succumbed to his injuries. Criminal Case was registered and thereafter, Claim Petition was filed.

3. MACT returned a finding that the accident had occurred due to the rash and negligent driving of the offending vehicle by the driver and a sum of Rs. 12,38,568/-, alongwith interest at the rate of 9% per annum from the date of filing of petition was awarded to the claimants. Considering that the offending vehicle was insured with respondent no.3/Insurance Company, the liability was to be borne by respondent no.3/Insurance Company.

4. *Mr. Shekhar Aggarwal*, counsel for the claimants, has sought enhancement on account that the deceased being a minor, while determining the income of deceased, MACT relied upon the decision of this Court in *Chetan Malhotra v. Lala Ram*, 2016:DHC:3863 which applied the concept of inflation corrected notional income in cases of minors. Therefore, the MACT applied notional income of Rs. 50,982/-

5. This Court notes that the compensation awarded in relation to death and injuries of a minor has since evolved by various decisions of this Court and is given on the basis of minimum wages of a skilled worker basis multiplier of 18.

6. A Coordinate Bench of this Court in *National Insurance Company Ltd. v. Sanju & Ors.* 2025:DHC:11781 provided a detailed analysis on the issue of minimum wages of a skilled worker to be taken as benchmark income. Relevant finding of the Court is extracted as under:



“19. I am fortified in this view by several judgments of Coordinate Benches of this Court which have followed the judgments in *Kajal, Sakshi Greola, and Hitesh. In Oriental Insurance Company Limited v. Reena Raghav, this Court took the view that minimum wages would be the proper yardstick for determination of notional income, and held as follows:*

“3. The appellant challenges the Impugned Award contending that as the deceased was only a five year old child, therefore, the loss of dependency should have been determined on a notional basis and not by applying the minimum wages of a skilled worker as notified by the State of Uttar Pradesh.

4. I am unable to find any merit in the said contention of the learned counsel for the appellant.

5. This Court in *United India Insurance Company Ltd. v. Jamaluddin Khan, NC No. 2023: DHC: 6242*, after a detailed examination of the precedents in this regard, has observed as under:

“20. The above judgments, therefore, have not laid down the basis on which notional income in case of a child is to be determined by the Tribunal, but have, on facts of those cases, held that the notional income determined by the learned Tribunal did not warrant any interference.

21. In view of the above decisions of the Supreme Court and of this Court, in my opinion, the most reasonable basis for determining the loss of dependency, even in the case of a minor, would be the minimum wages notified by the State Government where the minor resides at the time of the accident. As the notional income is being determined on basis of the minimum wages, I deem it appropriate also to add future prospects to such income at the rate of 40% by applying the principle laid down by the Supreme Court in *National Insurance Company Limited v. Pranay Sethi (2017) 16 SCC 680.*

22. Accordingly, it is directed that the



compensation towards loss of dependency shall be assessed by taking minimum wages as notified by the Government of NCT of Delhi for the relevant period, that is 04.12.2017 for a skilled worker; 40% is to be added towards future prospects to such income; multiplier shall be 18....”

20. A further consideration on the same lines is found in *National Insurance Co. Ltd. v. Pooja*, which considers *R.K. Malik, Kishan Gopal, Kurvan Ansari, and Meena Devi*. However, it notes that the Second Schedule to the Act was deleted with effect from 01.09.2019 and recognizes “a definitive change of Principle of determination of the income of a deceased/disabled Child from Notional income with its correction on the basis of Cost Inflation Index to Minimum Wages”

This was reiterated in *Rakesh Sharma v. Ashok and Cholamandalam MS General Insurance Co. Ltd. v. Bhupan Paswan*. *Bhupan Paswan* was carried to the Supreme Court in SLP (C) 17412/2025, but the Special Leave Petition was dismissed by an order dated 17.07.2025, with the following observations:

“Having considered the matter, we do not find any merit to interfere in the impugned judgment. Accordingly, the Special Leave Petition stands dismissed.”

21 ... I am of the view that, even in the case of a fatal accident involving a minor child, the notional income for the purposes of loss of dependency would be computed on the basis of minimum wages of a skilled worker in the concerned State.”

(emphasis added)

7. Taking a similar view, this Court in ***Tata AIG General Insurance Company v. Mukesh Kumar & Ors.*** 2026:DHC:756, while adjudicating an appeal preferred by the Insurance Company on the ground that, the Tribunal while assessing loss of dependency in case of death of a minor child had erred by taking the multiplier of 18, instead of 15, and that income of the



deceased should either be determined on the basis of notional income or that of an unskilled worker, dismissed the said appeal and held as under:

“22.6 Analysing all these decisions, this Court in Sanju (supra) held the view, as extracted above in paragraph 14, that the applicable multiplier would be 18 and that minimum wages of a skilled worker of the concerned State would be applicable.

23. In view of the above discussion, contention of appellant cannot be accepted.”

(emphasis added)

8. As noted in the above decisions, future prospects of 40% and deduction of half for personal and living expenses shall be done in accordance with the principles enunciated in **National Insurance Company Limited v. Pranay Sethi** (2017) 16 SCC 680.

9. MACT has awarded Rs. 6,11,784/- towards non-pecuniary damages, however, the same shall have to be aligned with principles enunciated in **Pranay Sethi (supra)** and **United India Insurance Co. Ltd. v. Satinder Kaur** (2021) 11 SCC 780. Relevant observation of the Supreme Court in **Pranay Sethi (supra)** is extracted 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]. 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 refers to Santosh Devi [Santosh Devi v. National Insurance Co. Ltd., (2012) 6 SCC 421], 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)

10. Therefore, in view of the above, aspects relating to loss of consortium, loss of estate and funeral expenses will have to be re-aligned.

11. In view of this, the revised computation is as under:

S. No.	Heads	Awarded by the Tribunal	Awarded by this Court
1	Income of deceased (A)	Rs. 4,248.5/- [50,982/12] (notional income)	Rs. 11,622/-
2	Add: Future Prospects (B)	-	Rs. 4,648.8/-
3	Less: Personal expenses of deceased (C)	Rs. 1,416.2/-	Rs. 8,135.4/-
4	Loss of dependency (A+B)-C=D	Rs. 2,832.3/-	Rs. 8,135.4/-
5	Annual loss of dependency (Dx12) = (E)	Rs. 33,988/-	Rs. 97,625/-



6	Multiplier (F)	18	18
7	Total loss of dependency (E x F)= (G)	Rs. 6,11,784/-	Rs. 17,57,250/-
8	Non-pecuniary damages (H)	Rs. 6,11,784/-	-
9	Compensation for loss of consortium (I)	-	Rs. 80,000/-
10	Compensation for loss of estate (J)	-	Rs. 15,000/-
11	Compensation towards funeral expenses (K)	Rs. 15,000/-	Rs. 15,000/-
12	Total compensation (G+H+I+J+K)= L	Rs. 12,38,568/-	Rs. 18,67,250/-
13	Rate of Interest Awarded	9%	9%

12. For the aforesaid reasons, compensation has been enhanced by Rs. 6,28,682/- (*'enhanced amount'*).

13. It is therefore directed as under:

(i) Enhanced amount along with 9% interest per annum from the date of filing the petition shall be deposited before MACT within a period of four weeks. It is directed that a lump sum amount of Rs. 2,00,000/- 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 claimants. The amount of FDRs on maturity would be released to the Savings Bank Account of claimants upon due verification.

14. Copy of this judgment be sent to the concerned MACT.



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15. Copy of this judgment be sent to the concerned bank.
16. Appeals stand disposed of with above directions.
17. Pending applications, if any, are rendered infructuous.
18. Judgment be uploaded on the website of this Court.

**(ANISH DAYAL)**  
**JUDGE**

**APRIL 1, 2026/mk/sp**