2026:DHC:7431

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

Reserved on: 20th August 2026.
Pronounced on: 02nd September 2026.
Uploaded on: 03rd September 2026.

\# **CNR No. DLHC010373762026**

\+ **MAC.APP. 524/2026 & CM APPL. 53814/2026**

NATIONAL INSURANCE CO LTD .....Appellant

Through: Mr. Manoj Ranjan Sinha and Mr. Vishal Agrawal, Advocates.

versus

MEERA DEVI & ORS. .....Respondents

Through: Mr. Manish Maini, Ms. Aastha Chauhan and Ms. Anjali Singh, Advocates for Respondent no.1.

CORAM:
HON'BLE MR. JUSTICE ANISH DAYAL

JUDGMENT

%

ANISH DAYAL, J.

1. This appeal has been filed by appellant/Insurance Company assailing impugned award dated 01st April 2026, passed by the Motor Accident Claims Tribunal, North-West District, Delhi [hereinafter, '***MACT/Tribunal***'] in *MACT/928/2023*, whereby compensation of *Rs.23,78,774/-* along with interest at the rate of 9% per annum, was awarded to the legal representatives of *Ramesh* [hereinafter '***deceased***'], who passed away in an accident, which occurred on 26th January 2021 near *Jhimar Pur Village*.

Submissions on behalf of appellant/Insurance Company

2. The assertion by *Mr. Manoj Ranjan Sinha*, counsel for appellant/Insurance Company, is that benchmark income of deceased

ought not to have been assessed at minimum wages of *Delhi*, as the documentary proof, i.e. the ration card, the licence, as well as the certificate issued after death of the deceased, are all of *Rajasthan*.

3. It is further contended that the MACT has assessed the benchmark income of the deceased, as per the minimum wages applicable to *Delhi* only on the basis of the testimony of father of the deceased, who stated that deceased was working as an agricultural labourer in *Village Khair Pur*, *Delhi*, although there was no documentary proof in this regard.

4. *Mr. Manoj Ranjan Sinha*, counsel for appellant/Insurance Company, has pointed out to the evidence by way of affidavit of *Poma Ram*/**PW1** [*father of the deceased*], which is exhibited as **Ex. PW1/A**, wherein he stated that his son, *Ramesh Kumar* was doing agricultural work after taking the land of *Dinesh Chhikara* and *Sonu* on Batai Basis, at *Village Khair Pur* and *Punjab Khore*, *Delhi*. He was stated to be residing in *Delhi* at *Village Khair Pur*.

5. *Poma Ram*/**PW1** further stated that, on the day of the accident, *Uma Singh @ Pratap* bought a birthday cake from the market at *Bawana*, and thereafter, sat on the pillion of a motorcycle, which was being driven by his son, i.e. the deceased herein. Between 07:45 P.M. and 08:00 P.M., when they reached the road leading from *Village Punjab Khore* towards *Jhimar Pur Village*, another motorcycle bearing registration no. *HR 13Q-0225*, being driven by *Suraj*, came at a high speed, and hit their motorcycle with great force. As a result, both of them fell down on the road and sustained grievous injuries. The deceased was then taken to the *Maharishi Valmiki Hospital*, where he was declared '*brought dead*'.

6. Furthermore, in his cross-examination, *Poma Ram*/**PW1** stated that he did not have any documentary proof to show that the deceased was residing in *Delhi* or that he had taken the land on a contractual basis. He denied the suggestion that the deceased was not a resident of *Delhi*, and further stated that, he, himself, had *two and a half bigha* of agricultural land in *Rajasthan*, which was being used for cultivating crops. He also admitted that as per the Aadhaar card of deceased, he had been a resident of *Rajasthan*. He denied the suggestion that the deceased was not holding a valid Driving licence [‘***DL***’] on the date of accident, and stated that the copy of the DL had been filed as **Ex.PW1/4**.

7. *Mr. Sinha*, counsel for appellant/Insurance Company, further drew the attention of this Court to the DL of deceased, which was issued by the *Licencing Authority*, *Abu Road*, *Rajasthan*, his ration card, issued by the *Government of Rajasthan*, as well as his unmarried certificate, issued by the office of the Gram Panchayat, *Basan*, after the accident, on 02nd February 2021. The said unmarried certificate recorded that marriage of *Ramesh Kumar* had not been registered in the Gram Panchayat and that he had not been married. *Mr. Sinha* also pointed out to the fact that the Aadhaar car of deceased recorded that he had been a resident of *Sirohi*, *Rajasthan*.

8. Accordingly, *Mr. Sinha*, counsel for appellant/Insurance Company, has placed reliance upon the following decisions to support his contention:

i. ***Oriental Insurance Co. Ltd. v. Kirti***, 2017 SCC OnLine Del 9352
In the aforesaid case, the Coordinate Bench of this High Court dealt with a situation wherein both the deceased persons had been residents of District *Sonepat* in the State of *Haryana*. The Court

noted that there was no evidence to show that either of them was working for gain in *Delhi*. A concession was recorded on behalf of the claimants, to the effect that the '*loss of dependency*' may be recomputed on basis of the minimum wages payable to workers in the State of *Haryana*. However, an appeal was subsequently filed by the claimants before the Supreme Court, whereby father of the deceased took a plea that the deceased was earning *Rs. 14,000/-* every month as a teacher at the *Pratap Public School*, *Delhi*, but he was unable to substantiate his claim with any documentary evidence. Consequently, the plea raised by father of the deceased was rejected by the Supreme Court, which did not disagree with the opinion rendered by the High Court.

ii. ***Bhagwan Dass v. Oriental Insurance Co. Ltd.***, 2026 SCC OnLine Del 1092.

In the aforesaid case, this Court was hearing a plea of enhancement of compensation. Counsel for the claimants contended that since the accident had occurred in *Delhi* and the deceased was working in *Delhi*, the minimum wages of an un-skilled worker in *Delhi* ought to have been taken, instead of those applicable to *Madhya Pradesh*. However, he failed to place any evidence to show that family of the deceased was residing in *Delhi*. Her ration card and Election ID card, also recorded that they had been issued from *Madhya Pradesh*. In these circumstances, the Court, held as under:

> "***11.*** *It is well settled that claims under the MV Act are decided on the principle of just and reasonable compensation. Nevertheless, this does not absolve the claimants from placing some cogent evidence on record to establish that the deceased was employed in Delhi. <u>In</u>*

*the present case, there is nothing on record to suggest that the deceased was employed in Delhi at the time of her death. The oral testimony of **PW 1** is silent regarding the place of employment of the deceased. To assert Delhi as the place of employment, sole reliance has been placed on the affidavit of Sh. Bhagwan Dass filed along with the appeal.*

***12.** Although a coordinate Bench of this Court in United India Insurance Co. Ltd. v. Badal, 2025 DHC 11100, and this Court in New India Assurance Co. Ltd. v. Pratima Kumari, 2026 DHC 122, have held that the minimum wages of the State where the deceased was employed are to be considered for assessing loss of dependency. In the present case it has not been proved that the deceased was employed in Delhi. Therefore, it would be appropriate to apply the minimum wages applicable in the State of Madhya Pradesh, where the deceased was a resident, as evidenced from the Ration Card. The MACT was, therefore, correct in applying the minimum wages of Madhya Pradesh, and no interference is warranted.*"

(emphasis added)

iii. ***Savita v. National Insurance Co. Ltd.***, 2026 SCC OnLine Del 2365

In ***Savita*** (*supra*), this Court was dealing with a claim filed on behalf of legal representatives of the deceased, whereby various issues had been raised regarding assessment of the benchmark income of deceased. Accordingly, the Court, culled out certain guidelines for assessment of the benchmark income. For ease of reference, the said guidelines have been extracted hereinbelow:

"***Guideposts***

***30.** Principles which may be culled out from these cases cited above, and be used as guidepost for assessment of benchmark income, can be summarised as under:*

A. Lack of documentary proof

(i) In the informal sector, it may not always be possible to produce documentary proof of employment and payment of wages, which are usually paid in cash.
(ii) Where there is lack of documentary proof to support that the victim was working in Delhi, reliance may be placed on facts and circumstances of the case to determine whether, the victim was residing in Delhi on the date of accident, in conjunction with documents such as driver's license, voter ID card, etc. Minimum wages of place of work will be then considered.
(iii) If documentary proof has not been filed, the Court can use the minimum wage benchmark of an appropriate category i.e. unskilled, skilled, matriculate, etc., as a benchmark for assessment, but not be constrained to grant the lowest tier.
B. Oral testimony of family members, employers
(i) Assessment of income can also be done on the statement of the immediate legal heir of deceased, i.e., wife, father, or immediate family member, along with a statement of the employer, if any. Testimonies of the above-mentioned persons should be consistent and there should be an unsuccessful rebuttal by the Insurance Company or the contesting party.
(ii) If the testimonies are not reliable, the Court can use the minimum wage benchmark of an appropriate category i.e. unskilled, skilled, matriculate, etc., as a benchmark for assessment, but not be constrained to grant the lowest tier.
C. Proof of employment
*(i) If documents in support of employment inter alia, Salary/Wage Certificate, income tax Returns ('**ITRs**') have been filed, same shall be considered.*
(ii) In the absence of such proof, assessment done by the Court has to be based on some intelligent guesswork and may not be restricted to the minimum wage parameter after taking into account a holistic analysis of the evidence on record. For example, place of employment, testimony of co-workers, or any other

person who testifies in favour of the injured/deceased employee.
(iii) The entire assessment is ultimately imbued with an element of approximation and guesswork, as part of the inquiry proceedings and not on exactitude.
(iv) Reliance may be placed on State specific legislations, as well as Minimum Wage Notifications to lean on for support, in order to determine what qualifies as a skilled worker and an unskilled worker, with respect to the vocation of the victim.
D. <u>Age, occupation and educational background of the victim</u>
(i) In cases where the victim was a student and the evidence on record suggests that the victim would have engaged in employment after completing education, had the accident not taken place; the Courts must consider the educational background keeping in view the missed future opportunities.
(ii) Reliance to be placed on documents and testimonies indicating the prior educational background of the victim, if no proof has been placed with regards to the employment details.
E. <u>Standard of living of deceased persons</u>
(i) When a claim petition has been filed by the surviving dependents of a deceased, where the deceased was the breadwinner of the family, Courts must attempt to ascertain the benchmark income keeping in view the void left by the breadwinner's death and income must be determined keeping in view the standard of living enjoyed by the family before the accident took place. While monetary compensation is a means to filing the financial hole left by the deceased, an estimate may be required to be done in order to support the remaining family members.

(emphasis added)

Mr. Sinha, counsel for appellant/Insurance Company, has placed reliance upon *paragraph A (ii)* of the aforesaid guideposts, wherein the Court observes that, in absence of documentary proof establishing that the victim was working in *Delhi*, the place of employment may be determined on the basis of the facts and circumstances, read with the documents such as driving licence, Voter ID card etc. The minimum wages would then be considered on the said basis.

Submissions on behalf of Respondent no.1/claimant

9. *Mr. Manish Maini*, counsel for respondent no.1/claimant, has countered the aforesaid contentions by stating that there was enough evidence on record to establish that the deceased had been working in *Delhi*.

10. In the support of his submission, *Mr. Maini*, counsel for respondent no.1/claimant, relied upon the following decisions:

i. ***United India Insurance Co. Ltd. v. Badal***, 2025 SCC OnLine Del 9043

In this case, a Coordinate Bench of this Court was faced with a claimant whose permanent residence was in *Uttar Pradesh*; but, the Tribunal assessed his '*loss of income*' on basis of the minimum wages prevalent in *Delhi*, on the account of his evidence, wherein he stated that he was living and working as a '*Sales Executive*' in '*Riyansh Selection*', situated at *Bhrampuri*, *Delhi*. Considering that he had specifically stated his present address to be in *Delhi* and his permanent address in *Bulandshahar* in his affidavit of evidence, and that he not been cross-examined on this aspect, the Court held that the evidence placed on record was sufficient to establish that he had been residing in *Delhi* for a considerable period prior to the accident, even if he was unable to prove the identity of his employer by way of documentary evidence.

ii. ***New India Assurance Co. Ltd. v. Pratima Kumari***, 2026 SCC OnLine Del 100

In ***Pratima Kumari*** (*supra*), the Insurance Company raised a plea that the minimum wages of *Uttar Pradesh* ought to have been applied in respect of the deceased. Counsel for the claimants, however, pointed out to the statement made by wife of the deceased, who stated that he was working as a '*clerk/Munim*' at *New Sabzi Mandi*, *Azadpur, Delhi*. The Court further noted that wife of the deceased had not filed any documentary proof in this regard. Finally, the Court, having perused the specific deposition of wife of the deceased, and noting that no cross-examination had been conducted by the Insurance Company on this aspect, affirmed the application of minimum wages applicable to *Delhi*. The Court, thereafter, observed as under:

> "***14.*** *It is common knowledge that thousands of workers who are residents outside Delhi find their avocation and employment in Delhi and are therefore, entitled to minimum wages given in the jurisdiction of Delhi, and not the minimum wages where their original residence may be.*
> ***15.*** *Reliance in this regard may be placed on judgments of this Court in United India Insurance Co. Ltd. v. Badal, 2025:DHC:11100 and The New India Assurance Co. Ltd. v. Bindu Devi, 2025:DHC:10153.*"
>
> (emphasis added)

iii. *Mr. Maini*, counsel for respondent no.1/claimant, further relied upon *paragraph B(i)* of the guideposts which have been laid down in ***Savita*** (*supra*), to contend that assessment of the benchmark income can also be done on basis of the statements made by the legal heirs of the victim, including, wife, father and other immediate family members, provided that their testimonies remain consistent, and are not rebutted by the Insurance Company or the contesting party.

11. Furthermore, *Mr. Maini*, counsel for respondent no.1/claimant, points out to two facts, which, according to him, suggest that the testimony of *Poma Ram*/**PW1** was credible, ***first***, that he had mentioned specific details regarding the accident, and ***second***, that he was not cross-examined by the Insurance Company.

12. As regards the decision of the High Court, and subsequently, of the Supreme Court in ***Kirti*** (*supra*), *Mr. Maini*, counsel for respondent no.1/claimant, submitted that the said case involved the death of a '*housewife*', where there had been a specific concession by the counsel for claimants.

Analysis and findings

13. Considering the view taken by this Court in ***Savita*** (*supra*), and the guideposts provided therein, there can be no doubt that testimonies of the family members may render some guidance to the Court in assessing the benchmark income of the deceased. The Court has also, in *paragraph A(i) and (ii)* of the aforesaid guideposts, specifically dealt with cases involving lack of documentary proof and held that, in such cases, reliance may be placed upon other facts and circumstances, in conjunction with the documents such as driving licence, Voter I-card etc. However, the Court has clearly stated that these rules are not to be applied in a straitjacketed

fashion, but have to be considered in accordance with the facts and circumstances of each case.

14. In the case at hand, all relevant documents, i.e. the Aadhaar card, Voter I-card, driving licence, as also the ration card show residence of the deceased in *Rajasthan*. Therefore, the only thread which respondent no.1/claimant seeks to hang on to is the testimony of *Poma Ram*/**PW1**, who stated, "*my son Sh. Ramesh Kumar was doing agricultural work after taking Land of Sh. Dinesh Chhikara and Sonu on Batai Basis at Vill. Khair Pur and Punjab Khore, Delhi respectively and he was also residing in Delhi at. Vill. Khair Pur, Delhi*".

15. It is, however, essential to note that this is not a case where there exists no testimony or affirmative statement regarding specifics of the work in which the deceased was engaged in *Delhi*. Instead, *Poma Ram*/**PW1** has consistently stated the names of the persons from whom the land had been taken, as well as the location of the same. He has also stated that the deceased was residing in *Delhi* at that point of time.

16. In this regard, the view taken by this Court in *paragraph 14* of ***Pratima Kumari*** (*supra*), which has been extracted hereinabove, informs the opinion of this Court. The Court must take judicial note of the fact that many workers come from neighbouring States to find work in *Delhi* and the lack of documentary proof cannot displace the same.

17. What also persuades this Court to accept the contention that deceased was working in *Delhi* is the fact that the accident occurred when he was going from *Village Punjab Khore* towards *Jhimar Pur Village*. It was specifically stated by *Poma Ram*/**PW1**, that, on the date of the accident, after taking birthday cake from the market at *Bawana*, his friend

and him proceeded "*towards their respective residences at Vill. Khair Pur, Delhi and Durga Enclave, Punjab Khore, via Road leading from Vill. Punjab Khore towards Jhimar Pur Village*". Having regard to the aforesaid, it is quite clear that the deceased must have dropped the pillion rider [*his friend*] at *Village Punjab Khore*, where he was staying, and proceeded towards *Village Khair Pur*, where the accident took place.

18. Reliance in this regard is also placed upon the decision of the Coordinate Bench of this Court in ***New India Assurance Co. Ltd. v. Bindu Devi***, SCC OnLine Del 8470. In the said case, the address of the claimants was stated to be in the State of *Bihar* and there was no evidence to the effect that the deceased working in *Delhi*. The claimants relied upon the affidavit in evidence of wife of the deceased, wherein she stated that the deceased was working as a rickshaw puller in *Alipur* area of *Delhi*. It was further noted that no substantial cross-examination was conducted by the Insurance Company on this aspect. The Court, accordingly, dismissed the appeal filed by the Insurance Company, and held as under:

> "***11.*** *The contention of Mr. Sharma is, in my view, untenable. <u>The accident admittedly occurred while the deceased was plying his rickshaw in Delhi. While considering the minimum wages to be applied, the Court must take account of the evidence to determine whether the deceased was, in fact, living and working within Delhi. In a case such as the present, where the deceased was a rickshaw puller, it cannot be concluded that he was not a resident in Delhi, merely because of lack of documentary evidence. The oral evidence of his wife was to this effect; most significantly, the accident itself took place while he was plying rickshaw in Delhi</u>.*"
>
> (emphasis added)

19. Therefore, considering that the place where the accident took place, coincides with the place of work of the deceased, as stated by *Poma*

Ram/**PW1** in his testimony, and that there was no substantial cross-examination to displace the testimony of *Poma Ram*/**PW1**, the Court is not inclined to interfere with the MACT's award.

20. It is also essential to note that as per the settled position of law, proceedings before the Motor Accident Claims Tribunal do not operate on the strict rules of evidence.

21. The aforesaid view has been affirmed by the Supreme Court in ***Prabhavathi v. Bangalore Metropolitan Transport Corpn.***, 2025 SCC OnLine SC 455, and ***Sebati Nath v. Shriram General Insurance Co. Ltd.***, 2025 SCC OnLine SC 3468, among other decisions. For ready reference, the operative portion from ***Prabhavathi*** (*supra*) is extracted as under:

> "***13.*** *It is the settled law that under the Motor Vehicle Act, 1988 it is established that in compensation cases, the strict rules of evidence used in criminal trials do not apply. Instead, the standard of proof is based on the preponderance of probability. This Court in Sunita v. Rajasthan SRTC*[3] *observed that:*
>
> > *"22. It is thus well settled that in motor accident claim cases, once the foundational fact, namely, the actual occurrence of the accident, has been established, then the Tribunal's role would be to calculate the quantum of just compensation if the accident had taken place by reason of negligence of the driver of a motor vehicle and, while doing so, the Tribunal would not be strictly bound by the pleadings of the parties. Notably, while deciding cases arising out of motor vehicle accidents, the standard of proof to be borne in mind must be of preponderance of probability and not the strict standard of proof beyond all reasonable doubt which is followed in criminal cases."*

The exposition came to be reiterated in Rajwati alias Rajjo v. United India Insurance Company Ltd.[4], *wherein it was observed that:*

> ***"20.*** *It is well settled that Motor Vehicles Act, 1988 is a beneficial piece of legislation and as such, while dealing with compensation cases, once the actual occurrence of the accident has been established, the Tribunal's role would be to award just and fair compensation. As held by this Court in Sunita (Supra) and Kusum Lata (Supra), strict rules of evidence as applicable in a criminal trial, are not applicable in motor accident compensation cases, i.e., to say, "the standard of proof to be borne in mind must be of preponderance of probability and not the strict standard of proof beyond all reasonable doubt which is followed in criminal cases"."*
>
> (emphasis added)

22. Further, in the opinion of this Court, the decision in ***Kirti*** (*supra*) cannot be considered in the facts and circumstances of the present case, for the reason that a specific concession on behalf of the claimants had been recorded before the High Court, wherein they had accepted that the minimum wages of *Haryana* be taken. This aspect has merely been noted by the Supreme Court, without supplying any endorsement or separate reason for the same.

23. Accordingly, in view of the aforesaid, the appeal is dismissed.

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

25. Statutory amount be refunded to the Insurance Company.

26. Judgement be uploaded on the website of this Court.

(ANISH DAYAL)
JUDGE

SEPTEMBER 02, 2026/MK/*ya*