



2026:DHC:756



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

% *Reserved on: 17th January 2026*
Pronounced on: 29th January 2026
Uploaded on : 30th January 2026

+ **MAC.APP. 560/2025**

TATA AIG GENERAL INSURANCE COMPANYAppellant

Through: Mr. Vaibhav Singh, Adv.

versus

MUKESH KUMAR AND ORSRespondents

Through: Ms. Tanya Singh & Mr. Pankaj Gupta,
Adv. for R-1 & 2

CORAM:
HON'BLE MR. JUSTICE ANISH DAYAL

JUDGMENT

1. This appeal has been filed by the Insurance Company under Section 173 of The Motor Vehicle Act, 1988 (*'MV Act'*) for setting aside/modifying the final judgment and award dated 19th May 2025 passed by Presiding Officer - MACT, South East District, Saket Court, Delhi in MACT No. 912/2019. The claim filed by the claimants (respondent nos. 1 and 2), on account of the death of *Master Kannu Pal*, was allowed by the Tribunal, and an award of *Rs. 16,25,894/-* along with interest at the rate of 7.5% per annum was passed.
2. The appellant-Insurance Company seeks modification of the award on the sole ground that the multiplier applied for the death of minor child, being 12 years of age, was taken as 18 instead of 15, which, according to appellant,



is not in consonance with law laid down by the Hon'ble Supreme Court in *Smt. Sarla Verma & Ors v. Delhi Transport Corporation & Anr.* (2009) 5 SCC 121 and *National Insurance Company Ltd. vs. Pranay Sethi & Ors.* (2017) 16 SCC 680.

The Incident

3. On 17th June 2019 at about 09.00 AM on Choganpur Road, Greater Noida, Distt. Gautam Budh Nagar, Uttar Pradesh, two pedestrians namely Kannu Pal S/o Mukesh Kumar, aged 12 years and Ankush, aged 17 years were impacted by a speeding motorcycle bearing Registration No. DL 3S DG 4380 (hereinafter the '*offending vehicle*') causing multiple injuries. Both of them succumbed to their injuries sustained in the accident. Claim petition under Section 166 and 140 MV Act was filed on 31st October 2019 by *Sh. Mukesh Kumar* and *Smt. Seema* (claimants/parents of deceased) on account of fatal injuries sustained by *Late Master Kannu Pal* (hereinafter referred to as '*deceased*').

4. Claimants alleged rash and negligent driving of the offending vehicle driven by *Mr. Vineet Kumar* (respondent no.3). The offending vehicle was owned by *Mr. Pramod Kumar Lal* (respondent no.4) and insured with the appellant.

Impugned Award

5. The appellant-Insurance Company conceded that the insurance policy was valid and effective but asserted that negligence of deceased children had caused the accident as they were casually strolling unaccompanied by any adult or guardian.

6. Those who stepped in the witness box were *Mr. Mukesh Kumar/PW-*



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1, the father of deceased and *Mr. Lakahn Pal Singh/PW-2*, the eyewitness, while no evidence was led by the respondents.

7. After assessing the respective contentions of the parties, the Tribunal reached the conclusion that offending vehicle was was being driven at a high speed, in a rash and reckless manner without exercising sufficient control, without adhering to basic lane discipline and caused the accident and death of two minor children.

Compensation Awarded

8. For determining the loss of dependency, considering the deceased was a minor, the Tribunal relied upon *United India Insurance Company Limited v. Jamaluddin Khan and Ors.* 2023: DHC:6242 decided by this Court on 25th August 2023, which held that minimum wages of the area of residence of minor child would be the most reasonable benchmark. The minimum wages of a skilled person as notified in State of Uttar Pradesh was *Rs.9,873/-* as on the date of accident which was considered as the monthly income of the deceased and future prospects of 40% were added. A deduction of 50% was made on the basis of principles of *Pranay Sethi (supra)*, considering the deceased was an unmarried individual towards personal and living expenses; multiplier was assessed at 18, however, no substantial discussion was provided for the same.

9. Accordingly, the Tribunal awarded a total compensation of *Rs.16,25,894/-*, whereby compensation towards loss of dependency was calculated at *Rs.14,92,794/-*, loss of consortium at *Rs.96,800/-*, loss of estate at *Rs. 18,150/-* and funeral expenses at *Rs. 18,150/-*. Interest @ 7.5% per annum was deemed fit and granted.



Deposit and Release

10. On 1st September 2025, notice was issued by this Court in the appeal. Subject to deposit of entire decretal amount, operation of impugned award was stayed. However, 80% of the awarded amount, along with accrued interest was released in favour of respondent nos. 1 and 2 (parents of deceased).

Submission on behalf of Appellant

11. Counsel for appellant contends that the issue of multiplier in case of a minor has been categorically settled in case of **Pranay Sethi** (*supra*). He relies upon *paragraph 43* of the judgement, where the court has reproduced *paragraph 37* of *Reshma Kumari v. Madan Mohan* (2013) 9 SCC 65, wherein the Supreme Court held as under:

“37.....As regards the cases where the age of the victim happens to be up to 15 years, we are of the considered opinion that in such cases irrespective of Section 163-A or Section 166 under which the claim for compensation has been made, multiplier of 15 and the assessment as indicated in the Second Schedule subject to correction as pointed out in Column (6) of the Table in Sarla Verma should be followed...”

12. He further contends that settled law by the Constitution Bench of the Supreme Court was delineated by two Judge Benches of Supreme Court in **Kajal v. Jagdish Chand & Ors.** (2020) 4 SCC, which was subsequently followed by the following judgments :

(i) **Master Ayush v. Branch Manager, Reliance General Insurance Co. Ltd.**(2022) 7 SCC 738,



(ii) *Minor Roopa v. The Divisional Manager, New India Assurance Company Ltd.* (2024) 12 SCC 490

(iii) *Baby Sakshi Greola v. Manzoor Ahmad Simon* 2024 INSC 963

13. Appellant's counsel therefore contended that these decisions were *per incuriam* since they were not in consonance with the view of larger Bench of the Court, and relied upon *Sudhir Kumar Bafna v. State of Maharashtra* AIR 2014 SC 1745.

Submissions on behalf of Respondent no. 1 & 2

14. To the contrary, counsel for respondents relied upon recent decision of this Court in *National Insurance Company Ltd v. Sanju & Ors.* 2025:DHC:11781, wherein considering batch of five appeals, on the common question as to parameters for determination of loss of dependency in claims arising out of fatal accidents involving children below the age of 15 years, the Court considered a whole line of cases since *Kajal (supra)* and post detailed assessment, reached a conclusion as under:

“21. Having regard to the legal position enunciated in the above judgments, 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)

15. As regards the multiplier, yet again after considering *Sarla Verma (supra)* and *Pranay Sethi (supra)* and refereeing to various judgments of the Supreme Court as well as of this Court, the Court reached the following conclusion:



“27. Having regard to the binding judgment of the Coordinate Bench, which considers Sarla Verma, I am of the view that the applicable multiplier in such cases would be 18.”

(emphasis added)

16. Counsel for respondents relied on the following judgments:
- a. *Kajal v. Jagdish Chand & Ors.* (2020) 4 SCC
 - b. *Baby Sakshi Greola v. Manzoor Ahmad Simon* 2024 INSC 963
 - c. *Ayush v. Branch Manager, Reliance General Insurance Co. Ltd.* (2022) 7 SCC 738,
 - d. *Minor Roopa v. The Divisional Manager, New India Assurance Company Ltd.* (2024) 12 SCC 490
 - e. *National Insurance Co. Ltd. v. Pooja* 2025 SCC OnLine Del 1044
 - f. *Cholamandalam MS General Insurance Co. Ltd. v. Bhupan Paswan* 2025 SCC OnLine Del 1045

17. In particular, counsel for the claimants laid emphasis on decision in *Bhupan* (*supra*), which was a decision by a Coordinate Bench of this Court which took into account the decisions of *Kajal* (*supra*) and the ones that followed and applied the *multiplier of 18* for minor.

18. Counsel stated that a Special Leave Petition (*'SLP'*) bearing no. *17412/2023* was filed against the High Court's decision, in *Bhupan Paswan* (*supra*) which was dismissed by the Supreme Court on 14th July 2025, therefore, giving yet another imprimatur by the Supreme Court on this issue.

Analysis

19. There are a number of inconsistencies in the arguments led by



appellant's counsel.

20. *Firstly*, reliance on calculation of multiplier as laid down in case of **Sarla Verma** (*supra*) may not be relevant for the reasons that the Supreme Court is silent on issue of multiplier regarding victims under 15 years of age.

The relevant para of **Sarla Verma** (*supra*) is extracted below :

“42. We therefore hold that the multiplier to be used should be as mentioned in Column (4) of the table above (prepared by applying Susamma Thomas , Trilok Chandra Charlie), which starts with an operative multiplier of 18 (for the age groups of 15 to 20 and 21 to 25 years), reduced by one unit for every five years, that is M-17 for 26 to 30 years, M-16 for 31 to 35 years, M-15 for 36 to 40 years, M-14 for 41 to 45 years, and M-13 for 46 to 50 years, then reduced by two units for every five years, that is, M-11 for 51 to 55 years, M-9 for 56 to 60 years, M-7 for 61 to 65 years and M-5 for 66 to 70 years.”

(emphasis added)

20.1 The omission/discrepancy for selection of multiplier for such minors was noted by the Apex Court in **Divya v. National Insurance Company Ltd.**, Civil Appeal No.7605/2022.

21. *Secondly*, even otherwise, in **Pranay Sethi** (*supra*) reference to the above extract indicates that the Constitution Bench of the Supreme Court stated that the *multiplier of 15* will apply and assessment indicated in the Second Schedule subject to correction as pointed out in Column (6) of the Table in **Sarla Verma** should be followed. More specifically, the *paragraph 43 and 44* of **Pranay Sethi** (*supra*) is extracted as under:

“43. In Reshma Kumari, the aforesaid has been approved by stating, thus :



“37. ... It is high time that we move to a standard method of selection of multiplier, income for future prospects and deduction for personal and living expenses. The courts in some of the overseas jurisdictions have made this advance. It is for these reasons, we think we must approve the Table in Sarla Verma for the selection of multiplier in claim applications made under Section 166 in the cases of death. We do accordingly. If for the selection of multiplier, Column (4) of the Table in Sarla Verma is followed, there is no likelihood of the claimants who have chosen to apply under Section 166 being awarded lesser amount on proof of negligence on the part of the driver of the motor vehicle than those who prefer to apply under Section 163-A. As regards the cases where the age of the victim happens to be up to 15 years, we are of the considered opinion that in such cases irrespective of Section 163-A or Section 166 under which the claim for compensation has been made, multiplier of 15 and the assessment as indicated in the Second Schedule subject to correction as pointed out in Column (6) of the Table in Sarla Verma should be followed. This is to ensure that the claimants in such cases are not awarded lesser amount when the application is made under Section 166 of the 1988 Act. In all other cases of death where the application has been made under Section 166, the multiplier as indicated in Column (4) of the Table in Sarla Verma, should be followed.”

44. At this stage, we must immediately say that insofar as the aforesaid multiplicand/multiplier is concerned, it has to be accepted on the basis of income established by the



legal representatives of the deceased. Future prospects are to be added to the sum on the percentage basis and “income” means actual income less the tax paid. The multiplier has already been fixed in Sarla Verma, which has been approved in Reshma Kumari with which we concur.”

(emphasis added)

21.1 Since in *Pranay Sethi* (*supra*) the Court concurred with the decision in *Reshma Kumari*, which in turn was referring to *Sarla Verma* (*supra*), it would be important to refer to decision in *Sarla Verma* (*supra*). For ease of reference the table of computation of multiplier in *Sarla Verma* (*supra*) is extracted as under:

Age of deceased	Multiplier scale as envisaged in Susamma Thomas	Multiplier scale as adopted by Trilok Chandra	Multiplier scale in Trilok Chandra as clarified in Charlie	Multiplier specified in second column in table II Schedule to MV Act	Multiplier actually used in second Schedule to MV Act (as seen from quantum of compensation)
(1)	(2)	(3)	(4)	(5)	(6)
Upto 15 yrs.	-	-		15	20
15 to 20 yrs	16	18	18	16	19
21 to 25 yrs	15	17	18	17	18
26 to 30 yrs	14	16	17	18	17
31 to 35 yrs	13	15	16	17	16
36 to 40 yrs	12	14	15	16	15
41 to 45	11	13	14	15	14



yrs					
46 to 50 yrs	10	12	13	13	12
51 to 55 yrs	9	11	11	11	10
56 to 60 yrs	8	10	9	8	8
61 to 65 yrs	6	8	7	5	6
Above 65 yrs	5	5	5	5	5

21.2 In fact for the category upto 15 years, the tabulation bears out that there is no multiplier as envisaged in *General Manager, Kerala State Road Transport Corporation v. Susamma Thomas* (1994) 2 SCC 176, *UP State Road Transport Corporation vs. Trilok Chandra* [(1996) 4 SCC 362] and clarified in *New India Assurance Co. Ltd. vs. Charlie* (2005) 10 SCC 720, but notes a 15 multiplier specified in Second Column and Second Schedule to the MV Act, which as corrected by the Supreme Court, would come to 20.

21.3 *Pranay Sethi (supra)/Reshma Kumari* seems to suggest that this ought to be followed irrespective of whether the claims have been filed under Section 163A or Section 166 of the MV Act. Corrections which had been given in *Sarla Verma (supra)* is more exemplified in *paragraph 35*, which is as under:

“35. There are however discrepancies/errors in the multiplier scale given in the Second Schedule table. It prescribes a lesser compensation for cases where a higher multiplier of 18 is applicable and a larger compensation with reference to cases where a lesser multiplier of 15, 16, or 17 is applicable. From the quantum of compensation specified in the table, it is possible to infer that a clerical



error has crept in the Schedule and the “multiplier” figures got wrongly typed as 15, 16, 17, 18, 17, 16, 15, 13, 11, 8, 5 and 5 instead of 20, 19, 18, 17, 16, 15, 14, 12, 10, 8, 6 and 5.”

(emphasis added)

21.4 Therefore, the contention of appellant that there was a freeze on *multiplier of 15* for minors below 15 years, is an incorrect interpretation of judgments in *Sarla Verma (supra)*, *Reshma Kumari (supra)*, and *Pranay Sethi (supra)*

22. *Thirdly*, the decision in *Kajal (supra)* and those which followed it, taking a *multiplier of 18*, are not amiss in any manner. Let us consider *Kajal (supra)* as a start.

22.1 It is understandable that in *Kajal (supra)* the minimum wages were taken as payable to a skilled worker and a *multiplier of 18* was used without any justification for same.

22.2 However, in *Baby Sakshi (supra)*, the observation made in *Pranay Sethi (supra)* was noticed in paragraph 30, which is extracted as under:

“30. Further, a Constitution Bench of this Court in the case of National Insurance Company Limited v. Pranay Sethi and Others⁴ in paragraph 59 recorded its conclusion as follows:

“59. In view of the aforesaid analysis, we proceed to record our conclusions:

59.1. The two-Judge Bench in Santosh Devi 167] should have been well advised to refer the matter to a larger Bench as it was taking a different view than what has been stated in Sarla Verma [Sarla, a judgment by a coordinate Bench. It is because a coordinate Bench of the same strength cannot



take a contrary view than what has been held by another coordinate Bench.

59.2. As Rajesh has not taken note of the decision in Reshma Kumari, which was delivered at earlier point of time, the decision in Rajesh is not a binding precedent.

59.3. While determining the income, an addition of 50% of actual salary to the income of the deceased towards future prospects, where the deceased had a permanent job and was below the age of 40 years, should be made. The addition should be 30%, if the age of the deceased was between 40 to 50 years. In case the deceased was between the age of 50 to 60 4 (2017) 16 SCC 680 : 2017 INSC 1068 VERDICTUM.IN 26 years, the addition should be 15%. Actual salary should be read as actual salary less tax.

59.4. In case the deceased was self-employed or on a fixed salary, an addition of 40% of the established income should be the warrant where the deceased was below the age of 40 years. An addition of 25% where the deceased was between the age of 40 to 50 years and 10% where the deceased was between the age of 50 to 60 years should be regarded as the necessary method of computation. The established income means the income minus the tax component.

59.5. For determination of the multiplicand, the deduction for personal and living expenses, the tribunals and the courts shall be guided by paras 30 to 32 of Sarla which we have reproduced hereinbefore.

59.6. The selection of multiplier shall be as



indicated in the Table in Sarla Verma read with para 42 of that judgment.

59.7. The age of the deceased should be the basis for applying the multiplier.

59.8. 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 aforesaid amounts should be enhanced at the rate of 10% in every three years.”

(emphasis supplied)

22.3 *Kajal (supra)*, in its own right, has already been followed by the Supreme Court in *Master Ayush (supra)*. This Court in *Pooja (supra)* has considered the arguments relating to multiplier and applied *multiplier of 18* in both *Pooja (supra)* and *Bhupan Paswan (supra)*.

22.4 *Bhupan Paswan (supra)* was challenged before the Supreme Court and SLP was dismissed.

22.5 There is yet another application of multiplier of 18 in the case of *Karuna Parmar v. Prakash Sinha* 2025 INSC 1244.

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.

24. Notwithstanding the correction of 20 in the table as provided in *Sarla Verma (supra)*, as extracted above in *paragraph 21.3*, the Supreme Court in



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its own wisdom has subsequently adopted multiplier of 18 in cases of minor.
25. In any case, appellant's argument that multiplier should be 15 is unacceptable and cannot be sustained.

Conclusion

26. Appeal is therefore dismissed; compensation as awarded by Tribunal stands confirmed.

27. *Vide* order dated 1st September 2025, this Court directed the appellant to the deposit the entire awarded amount along with up-to-date interest, subject to which operation of the Impugned Award was stayed. Additionally, the Court directed release of 80% of the deposited amount along with up-to-date interest to the Respondent Nos.1 and 2/Claimants in accordance with scheme, as is set out in the Impugned Award. Accordingly, the remaining amount be also released as per the directions in the Impugned Award.

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

29. Statutory deposit be refunded to appellant.

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

**(ANISH DAYAL)
JUDGE**

JANUARY 29, 2026/sm/bp