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AFR

HIGH COURT OF CHHATTISGARH AT BILASPUR

MAC No. 1181 of 2020

- Royal Sundaram General Insurance Company Ltd. Through Divisional Office, Raj Chamber, Beneath Third Mova Over Bridge, Raipur, Tahsil And District Raipur Chhattisgarh.....(Insurer Of Offending Vehicle Truck No. H.R. 38 U.5179).....Insurer/non-Applicant No.3.

--- Appellant

versus

1. Smt. Sarita Sidar W/o Late Laxman Sidar, Aged About 45 Years;
2. Ku. Priti Sidar D/o Late Laxman Sidar, Aged About 18 Years;
3. Ku. Arti Sidar D/o Late Laxman Sidar, Aged About 15 Years, Through Her Natural Guardian Mother Smt. Sarita Sidar;
All are R/o Village Barpani, Post Sankara, Thana Saliha, Tahsil Kasdol, District Baloda Bazar (Chhattisgarh).....Claimants.
4. Majid Khan S/o Late Janu Musalman R/o Rethora, House No. 165, Police Station And District Luhu Mewat (Hariyana). (Driver Of Offending Vehicle (Truck) No. H.R. 38 U.5179).....Non-Applicant No. 1/driver.
5. Manjit Singh Rana S/o Jagat Singh Rana, R/o House No. 68, Street No. 4, Near Malerana Road, Adarsh Nagar, Vallabgarh Faridabad, District Vallabgarh (Hariyana) (Owner Of Offending Vehicle (Truck) No. H.R. 38 U.5179).....Non-Applicant No. 2/owner.

--- Respondents

**MAC No. 1185 of 2020**

- Royal Sundaram General Insurance Company Ltd., Through Divisional Office, Raj Chamber, Beneath Third Mova Over Bridge, Raipur, Tahsil And District Raipur Chhattisgarh. (Insurer Of The Offending Vehicle Truck No. H.R. 38 U. 5179) (Insurer / Non - Applicant No. 3).

--- Appellant

Versus

1. Fagnuram Yadav, S/o Late Kaliya Yadav, Aged About 46 Years;
2. Smt. Gori Yadav W/o Fagnuram Yadav, Aged About 43 Years;
3. Arjun Yadav S/o Fagnuram Yadav, Aged About 14 Years, Minor, Through His Natural Guardian Father Fagnuram Yadav;
All are R/o Ward No. - 7, Sankara Thana - Sankara, District - Mahasamund Chhattisgarh. (Claimants)
4. Majid Khan S/o Late Janu Musalman R/o Rethora, House No. 165, Police Station And District - Luhu Mewat (Hariyana) (Driver Of Offending Vehicle (Truck) No. H.R. 38 U. 5179) (Non-Applicant No. 1/ Driver).
5. Manjit Singh Rana S/o Jagat Singh Rana, R/o House No. 68, Street No. 4, Near Malerana Road, Adarsh Nagar, Vallabhgarh Faridabad, District - Vallabhgarh (Hariyana) (Owner Of Offending Vehicle (Truck) No. H.R. 38 U. 5179) (Non-Applicant No. 2/ Owner).

--- Respondents

For Appellants :- Mr. Anupam Dubey, Advocate.

For Respondents :- None.

SB- Hon'ble Shri Justice Sanjay K. Agrawal**Judgment On Board****17.04.2026**

1. Since the common question of law and facts is involved in the present case and they have arisen out of common accident, though



different claim cases, they have been clubbed together, heard together and are being disposed of by this common judgment.

2. These two appeals under Section 173 of the Motor Vehicles Act, 1988 (for short “Act of 1988”) have been preferred by the appellants/Insurance Company challenging the impugned awards dated 13.03.2020 passed by the Additional Motor Accident Claims Tribunal, Fast Track Court, Mahasamund, Chhattisgarh (for short “Claims Tribunal”) in Claim Cases No. H-77/2017 and H-75/2017 respectively, whereby learned Claims Tribunal has allowed the claimants’ application and awarded compensation along with interest by fastening the liability upon the appellant/Insurance Company.
3. Mr. Anupam Dubey, learned counsel for the appellant/Insurance Company, at the outset, raised contention that the interest should not be awarded on the component of future prospects as it is received in advance enuring to the benefit of claimants only in future and, therefore, 9% interest awarded by the Claims Tribunal is liable to be set aside on the component of future prospect.
4. None for the respondents/claimants though served.
5. I have heard learned counsel for the appellants/Insurance Company, considered his submission and gone through the records precisely.



6. The short question involved in the present two appeals is that whether the interest on the future prospect awarded by the Claims Tribunal is payable to the claimants or not?
7. The aforesaid question has been observed by the Supreme Court in the matter of **Oriental Insurance Co. Ltd. v. Niru and others**¹ as under:-

“9. A very relevant issue agitated by the Insurance Company is the illegality in awarding interest for future prospects, which in any event is an amount received in advance, normally enuring to the benefit of the claimants only in future. This is the only contention taken in the connected appeal bearing SLP(C) No.22136 of 2024. We find absolutely no reason to accept this argument. In SLP(C) No.11340 of 2020, the multiplier applied looking at the life span of the deceased and the claimants is 13. Before the Tribunal itself, the case was pending for 12 years and the only amount received by the claimants was Rs.50,000/-. Hence though amounts are awarded for future prospects taking the multiplier of 13; in effect, the money is received only after the period for which the multiplier is adopted. Similar is the case in SLP(C) No.22136 of 2024 where the accident occurred in 2018, the multiplier applied is 17 and we are seven years from the date of accident.

10. We cannot but observe that there was nothing stopping the Insurance Company from settling the claim on a computation, on receipt of intimation of the accident, especially since the determination of compensation for loss of dependency, on death being occasioned in a motor vehicle

¹ 2025 ACJ 1723



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accident, can be determined as evident from the judicial precedents; at least provisionally.

11. In fact, it is due to the repudiation of or refusal to consider the claim that the claimants are driven to the Tribunal. When the matter is pending before the Tribunal or in appeal before the higher forums, the claimants are deprived of the compensation for future prospects. If they are paid in time, it could be utilized by the claimants and on failure, the loss of dependency would force the claimants to source their livelihood from elsewhere. This is sought to be compensated at least minimally by award of interest, which oftener them ever is nominal also since only simple interest is awarded. If the amounts were disbursed to the claimants on a rough calculation, on intimation of the accident to the Insurance Company, subject to the award of the Tribunal, necessarily there would not have been any interest liability at least to the extent of the disbursement made. Hence, we reject the contention and direct that the entire award amounts would be paid with interest at the rate of 9 per cent from the date of filing of the claim till the date of disbursement, deducting only Rs.50,000/- granted as interim compensation, in SLP(C) No.11340 of 2020 and 6 per cent in SLP(C) No.22136 of 2024 as awarded by the High Court; deduction to be made for the amounts already paid.

8. The contention raised by learned counsel for the Insurance Company, has clearly been answered by the Supreme Court in the above judgment holding that the interest on the future prospect is awardable. In that view of the matter, I do not find any merit in the



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present two appeals filed by the Insurance Company, therefore, the appeals deserve to be and is accordingly, dismissed. No cost(s).

Sd/-
(Sanjay K. Agrawal)
Judge

Ankit