2026 INSC 498

REPORTABLE

IN THE SUPREME COURT OF INDIA
CIVIL APPELLATE JURISDICTION

CIVIL APPEAL NO. OF 2026
(@ Special Leave Petition (Civil) Nos.18267 of 2025)

NEW INDIA ASSURANCE
COMPANY LIMITED … APPELLANT(S)

VERSUS

DOLLY SATISH GANDHI & ANR. …RESPONDENT(S)

J U D G M E N T

SANJAY KAROL J.

Leave Granted.

THE APPEAL

2. *'A'* met with an accident. They filed a claim before the jurisdictional Tribunal i.e., Motor Accidents Claims Tribunal[1] seeking compensation in which

[1] MACT

inter alia, loss of income, future prospects, special diet, transportation and medical expenses have been claimed for. Simultaneously, claims set out with insurance under the claim of medical insurance for the very same medical expenses are allowed and money received. Is it legally permissible for the MACT to account for such amounts received, and as such deduct the same or not, is the question involved herein.

3. A Bench of three Judges of the High Court of Judicature at Bombay in deciding a conflict between judgments of the said Court, namely ***The New India Assurance v. Dineshchandra Shantilal Shah and Ors***[2], on the one hand, and ***Vrajesh Navnitlal Desai v. K. Bagyam and Anr***[3]***., Royal Sundaram Alliance Insurance Co. Ltd., Kolkata v. Ajit Chandrakant Rakvi and Anr***[4]***,*** on the other, in terms of the impugned judgment**,** held that the amount received by a claimant by way of his own Mediclaim, is not deductible when such a claimant is before the jurisdictional MACT seeking compensation for injuries he has suffered as a result of an accident. New India Assurance Co. Ltd., is aggrieved and questions the correctness of such a finding before us, in this appeal.

3.1 We are, therefore, to decide the question of law as to whether the amount of money received as Mediclaim, in terms of a ediclaim policy, is deductible from an award passed by a Claims Tribunal or not. The factual matrix in which this question arises does not have a bearing on the conclusion of this question of law, and hence, is not relevant for the present

[2] (2013) 09 BOM CK 0240 (First Appeal No.657 of 2013)
[3] 2005 SCC OnLine Bom 156
[4] 2019 SCC OnLine Bom 496

determination.

ARGUMENTS OF THE PARTIES

4. We heard the learned Counsel for the parties.

4.1 Learned Counsel for the appellant submitted:

4.1.1 It is an admitted position that the respondent-insured has already been reimbursed for medical expenses through a Mediclaim policy. Once such reimbursement has taken place, the loss under that specific head is neutralized and so, awarding the same amount again under the head of medical expenses would go beyond restitution and lead to or result in a duplication of benefit. The appellant-insurer has submitted this position to be inconsistent with the principle of just compensation.

4.1.2 This position, it is argued, has found support in the decision of this Court in ***Reliance General Insurance Co. Ltd. v. Shashi Sharma***[5], where the Court emphasised that double benefits should not be granted while computing compensation in reference to a claim petition arising out of a motor vehicle accident. In that case, amounts received by the claimants by way of *ex gratia* financial assistance have been held liable for deduction from compensation awarded under a corresponding head. The underlying rationale was that overlapping benefits under the same head distort the concept of just

[5] (2016) 9 SCC 627

compensation.

4.1.3 The appellant-insurer also dealt with the judgment in ***Helen C. Rebello v. Maharashtra SRTC***[6], which held that benefits such as life insurance, provident fund and pension, are not deductible since they accrue independently of the accident and would be payable in any event. However, the appellant-insurer has submitted that the present case stands on a different footing. A Mediclaim reimbursement is directly linked to the injury sustained in the accident and has arisen only because of the medical expenses incurred due to that event. Unlike life insurance proceeds, it is not a benefit that accrues irrespective of the accident. Even on the principle articulated in ***Helen Rebello*** (supra) amounts that bear a direct causal connection with the loss in question are liable to be adjusted to avoid duplication.

4.1.4 The statutory framework has also supported this position. Under Sections 146 and 147 of the Motor Vehicles Act 1988[7], insurance against third party risk has been mandatory, and the insurer has been required to indemnify the owner or driver for liability arising from death or bodily injury caused by the use of the vehicle. However, such liability has been premised on the existence of an actual loss. If the medical expenses have already been reimbursed, the question arisen is whether any liability survives in

[6] (1999) 1 SCC 90
[7] MVA

respect of that head. The appellant-insurer has submitted that in the absence of a subsisting loss, there can be no corresponding liability to compensate.

4.1.5 It has further been submitted that the distinction between statutory and contractual liability, as discussed in ***Helen Rebello*** (supra) has arisen in the context of death cases where certain pecuniary advantages have accrued to the dependents independently of the accident. In contrast, the present matter has involved an injury claim where the reimbursement of medical expenses has been directly and exclusively connected to the accident. This has created a clear overlap between the loss claimed and the amount already received, making it a case where the principle against double recovery applies with full force.

4.1.6 The appellant-insurer has also relied on the decision in ***Oriental Insurance Co. Ltd. v. R. Swaminathan***[8], where this Court has approved the deduction of medical expenses that had already been reimbursed by the employer. Even though the Court had enhanced compensation under other heads, it consciously did not award medical expenses again, recognizing that such duplication is impermissible.

4.2 *Per contra*, the learned counsel for the respondent – insured contended:

[8] CA 2715 of 2002

4.2.1 There exists a distinction between statutory and contractual entitlements. Compensation under the MVA is a statutory right that arises upon proof of negligence and resulting injury. It is not contingent upon any prior contribution by the claimant. In contrast, a Mediclaim policy constitutes a contract of insurance, supported by the payment of premiums and governed by agreed terms. The respondent-insured submits that these two entitlements operate in separate domains, and that the statutory right to compensation cannot be diminished by importing considerations arising from a contractual benefit.

4.3. In ***Helen Rebello*** (supra) the Court held that amounts such as provident fund, pension, and life insurance proceeds are not liable to be deducted from compensation under the MVA, as they bear no correlation to the accident. The respondent – insured, submits that the governing principle emerging therefrom is that deductions are permissible only where a direct nexus exists between the receipt and the accident giving rise to the claim.

4.3.1 This principle was reiterated in ***United India Insurance Co. Ltd. v. Patricia Jean Mahajan***[9], where the Court held that insurance proceeds and other benefits cannot be deducted unless they are directly attributable to the accidental death or injury. The respondent insured submits that a broad interpretation encompassing

[9] (2002) 6 SCC 281

all post-accident receipts would defeat the object of awarding just compensation and unjustly benefit the wrongdoer.

4.3.2 Further reliance is placed on ***Sebastiani Lakra v. National Insurance Co. Ltd.***[10], where the Court reaffirmed that benefits arising from contractual or service-related entitlements, including insurance, pension, and gratuity, cannot be deducted from compensation. The respondent insured contends that such benefits accrue independently of the accident and cannot be treated as gains arising from the same cause.

4.3.3. The respondent-insured also submits that the principle recognised in ***Bradburn v. Great Western Railway Co***[11] affirms that damages payable by a wrongdoer are not to be reduced on account of insurance benefits received by the injured party. This ensures that the appellant insurer or the tortfeasor does not derive advantage from the prudence of the claimant in securing insurance coverage.

4.3.4. Turning to the statutory framework, the respondent-insured submits that the MVA is a beneficial legislation intended to provide relief to victims of motor accidents. Section 166 confers the right to claim compensation, while Section 168 obligates the Tribunal, to award just compensation based on fairness, reasonableness, and equity. As elucidated in ***National Insurance Co. Ltd. v. Pranay Sethi***[12], the determination of just compensation must strike a balance

[10] (2019) 17 SCC 465
[11] *(1874-80) All ER Rep 195*
[12] (2017) 16 SCC 680

and reflect a realistic assessment of loss. The respondent insured contends that deducting Mediclaim benefits would undermine this objective and result in inadequate compensation.

4.3.5. In response to the contentions of the appellant-insurer, it is submitted that no prejudice or irreparable loss is caused by allowing the respondent-insured to receive both contractual and statutory benefits. The liability under the MVA arises from the wrongful act of the driver, whereas the liability under the Mediclaim policy arises from a contract supported by consideration. The respondent-insured submits that these liabilities are distinct and coexist without overlap and that the appellant- insurer retains the ability to adjust premiums in accordance with risk.

4.4 It should be noted that in the course of arguments, learned counsel for the appellant pointed out that there were contrarian views galore on this question, and that the question needed to be settled, specifically in the context of Mediclaim/medical insurance.

ANALYZING DIVERGENT VIEWS

5. We find, somewhat surprisingly, that single judges as also division benches even of the same Court, have taken opposite views across the High Courts. One view is that Mediclaim, as a claim is independent from a claim under Section 166 MVA and the award received need not be deducted. In a tabular form we further take notice of such a view taken by the High Court(s).

BOMBAY HIGH COURT CASES		
1.	***Vrajesh Navnitlal Desai v. K. Bagyam,*** *2005 SCC OnLine Bom 156*	1J
2.	***Royal Sundaram Alliance Insurance Co. Ltd. v. Ajit Chandrakant Rakvi,*** *2019 SCC OnLine Bom 496*	1J
3.	***State of Goa v. Michael Joaquim F.D. Souza,*** *2022 SCC OnLine Bom 1672*	1J
4.	***United India Insurance Co. Ltd. v. Anjana, 2012*** *SCC OnLine Bom 129*	1J
5.	***Reliance General Insurance Co. Ltd. v. Aman Sanjay Tak,*** *2023 SCC OnLine Bom 883*	1J
MADHYA PRADESH HIGH COURT CASES		
6.	***Madhya Pradesh State Road Trans. Corpn. v. Priyank,*** *1999 SCC OnLine MP 18*	2J
7.	***Mamta Yadav v. Amrat Singh,*** *2023 SCC OnLine MP 7166*	1J
OTHER HIGH COURTS CASES		
8.	***Shaheed Ahmed v. Shankaranarayana Bhat,*** *2008 SCC OnLine Kar 166* ***[Kar. HC]***	1J
9.	***Royal Sundram General Insurance Co. Ltd. v. Meenakshi Mann,*** *2019 SCC OnLine P&H 7801* ***[Punjab & Haryana HC]***	1J
10.	***New India Assurance Company Limited v. Bimal Kumar Shah,*** *2018 SCC OnLine Cal 10368* ***[Cal. HC]***	2J
11.	***National Insurance Co. Ltd. v. Bijumon,*** *2010 SCC OnLine Ker 4775* ***[Ker. HC]***	1J
12.	***National Insurance Co. Ltd. v. Aman Kapur,*** *2013 SCC OnLine Del 4891* ***[Del. HC]***	1J

6. The other view is that the amount received from a Mediclaim is in fact deductible from the total compensation, which in a tabular form we indicate the cases as under:-

S. No.	Case Title	Bench Strength
DELHI HIGH COURT CASES		
1.	***Jaswant Kaur Sethi v. Tamal Das,*** *MAC. APP. No. 352 of 2006*	1J
2.	***National Insurance Co. Ltd. v. R.K. Jain,*** *2012 SCC OnLine Del 3303*	1J
3.	***National Insurance Co. v. Deepmala Goel,*** *2012 SCC OnLine Del 1958*	1J
4.	***IFFCO Tokio General Insurance Co. v. Kisanlal Sharma****, 2019 SCC OnLine Del 11091* [Claimant surrendered claim under medical expenses]	1J
5.	***IFFCO Tokio General Insurance Co. Ltd. v. Shambhu Pathak,*** *2012 SCC OnLine Del 1361*	1J
6.	***National Insurance Co. Ltd. v. Shiela Avinashi,*** *2012 SCC OnLine Del 532*	1J
7.	***Bajaj Allianze General Insurance Co. Ltd. v. Ganpat Rai Sehgal,*** *2012 SCC OnLine Del 42*	1J
8.	***UP State Road Transport Corporation v. Rama Chugh,*** *2019 SCC OnLine Del 11627*	1J
9.	***New India Assurance Co. Ltd. v. Arjun Singh,*** *2019 SCC OnLine Del 11625*	1J
10.	***Oriental Insurance Co. Ltd. v. Ravi Jain,*** *2025 SCC OnLine Del 8966*	1J
KERALA HIGH COURT CASES		
11.	***National Insurance Company Ltd. v. Akber Badsha,*** *2015 SCC OnLine Ker 26742*	2J

12.	***Mariamma James v. Alphones Antony,*** *2016 SCC OnLine Ker 29226*	2J
PUNJAB AND HARYANA HIGH COURT CASES		
13.	***National Insurance Co. Ltd. v. Shashank Bhardwaj,*** *CWP No. 9763 of 2015*	1J
14.	***ICICI Lombard General Insurance Co. v. Harminder Singh Rosha,*** *FAO No. 4755 of 2016*	1J
15.	***United India Insurance Co. Ltd. v. Jaswant Singh,*** *FAO No. 532 of 2014*	1J
BOMBAY HIGH COURT CASES		
16.	***The New India Assurance Co. v. Dineshchandra Shantilal Shah & Ors.*** *First Appeal No. 657 of 2013*	1J
17.	***Shirkant @ Srikant Kashinath Gaude v. Suryakant Uttam Gaude.*** *F.A. No. 64 of 2009*	1J
MADRAS HIGH COURT CASES		
18.	***S. Sevagi v. State of Express Transport,*** *C.M.A. Nos. 3618–3620 of 2013*	2J
MADHYA PRADESH HIGH COURT CASES		
19.	***Jitendra vs. Rahul,*** *MANU/MP/0366/2008*	1J

OUR CONSIDERATION

7. *Inter-alia*, two opposing reasons come forth from the perusal of the above-mentioned High Court decisions. Those in favor of deduction hold so in view of the principle of "*double benefit*" since the same medical expenses would be compensated from two sources. Those against the deduction posit that the origin of the two methods of compensating the same is different and, therefore, it cannot be said to exclude each other. One is a statutory remedy and the other arises out of a contract. Let us understand the same.

7.1 The principle governing "*double benefit*" in motor accident claims is that there should be no duplication for the same head of loss in respect of the victim/claimant in a claim petition arising out of a motor vehicle accident. A claimant cannot recover compensation twice for the same injury or loss, as that would amount to *unjust enrichment*. The unquestionable position is that compensation must be "*just compensation*" which is meant to fairly make good the loss suffered, not to create a windfall. Therefore, where two payments in relation to the very same claim petition compensate for the same loss, one of them must ordinarily be adjusted or deducted.

7.2. What is to be examined is the source and nature of the benefit. The primary consideration in such an analysis is whether the additional benefit is a substitute for the same loss, in which case it is liable to be deducted, or whether it is independent, or an entitlement, in which case it is not. For instance, where the family of a deceased person receives statutory compensation or *ex gratia* payment from the State on account of death, such amount may be deducted from the compensation awarded under MACT. The reasoning therefor, is straightforward. Both payments are addressing the same loss. Similarly, where one aspect of compensation directly replaces the same income stream lost due to the accident, and is triggered by that very event, permitting full recovery under both heads would amount to double compensation.

7.2.1. However, the position is different where the benefit is independent in nature. It has repeatedly been clarified by this

Court that certain payments cannot be deducted merely because they accrue upon death. Employment benefits such as provident funds, gratuity, and pension are not deductible, as they arise from the contract of employment and represent deferred earnings or accrued rights. They are not compensation for the accident, but entitlements earned over time.

7.3 Let us now look at the primary reason taken by those who have favoured the grant of both MACT compensation and Mediclaim.

7.3.1 A statutory benefit is an entitlement that exists because a law creates it. Its source is legislation enacted by the State, and not any private agreement between individuals. Meeting the conditions laid down in the statute *ipso facto*, leads to entitlement. There is nothing required further such as negotiation or consent. Such benefits are generally in furtherance/fulfillment of broader public purposes like welfare, regulation, and they can be altered or withdrawn only if the law itself is amended.

7.3.2. A contractual benefit, on the other hand, is in the nature of a private agreement between parties. Its source is the contract itself, and the benefit flows from the parties having mutually agreed to certain terms. These benefits depend on consent and are defined by what the contract provides. They are enforceable under the law of contract and cannot be changed except in accordance with the terms of the agreement.

7.3.3. The distinction, put simply, is that a statutory benefit flows from the authority of law, while a contractual benefit flows from the will and agreement *inter se* parties. Naturally, statutory benefits are available to all persons, provided that they fulfill its prerequisites whereas a contractual benefit is limited *inter se* the parties.

8. Having noticed the crucial distinction, we now move to appreciating the law on deductions from motor accident claims.

8.1 ***Helen Rebello***

In this case, the husband of the appellant was gravely injured while travelling on a bus of the Maharashtra State Road Transport Corporation, when it collided with a bus of the Karnataka State Road Transport Corporation, while he was on his way from Rathore Badruk to Pune, eventually succumbing to the injuries sustained. The quantum of compensation was not subject matter of challenge before the co-ordinate Bench of this Court. The issue was whether the amount received by the appellant and other legal heirs in the form of the life insurance policy of the deceased was deductible from the compensation received under the 1939 version of the MVA. The Court, speaking through A.P Misra J., discussed a number of English cases and then observed that Section 110, of the 1939 Act made clear that the constitution of the Tribunal was not meant to *"include that which the claimant receives on account of other forms of deaths, which he would have received even apart from accidental*

death. Thus, such pecuniary advantage would have no correlation to the accidental death for which compensation is computed. Any amount received or receivable not only on account of the accidental death but that which would have come to the claimant even otherwise, could not be construed to be the "pecuniary advantage", liable for deduction." Observations made further ahead are also apposite for the present case:

> "How thus an amount earned out of one's labour or contribution towards one's wealth, savings, etc. either for himself or for his family which such person knows under the law has to go to his heirs after his death either by succession or under a Will could be said to be the "pecuniary gain" only on account of one's accidental death. This, of course, is a pecuniary gain but how this is equitable or could be balanced out of the amount to be received as compensation under the Motor Vehicles Act. There is no corelation between the two amounts. Not even remotely. How can an amount of loss and gain of one contract be made applicable to the loss and gain of another contract. Similarly, how an amount receivable under a statute has any corelation with an amount earned by an individual. Principle of loss and gain has to be on the same plane within the same sphere, of course, subject to the contract to the contrary or any provisions of law."

8.2 ***Patricia Jean Mahajan***

This case concerned the death of an Indian origin, USA-based doctor who died while on a visit to this Country, travelling from Jaipur to Delhi. The Tribunal awarded a sum of Rs. 1.16 crores with 12% interest p.a., as against a claim of Rs. 54 Crores. The appellant challenged the determination before the High Court of Delhi. The compensation was enhanced to Rs. 16.12 crores with the said interest. Still further, the merits of the computation were challenged before this Court. Brijesh Kumar J.,

writing for the Court recorded agreement with the principle in ***Helen Rebello*** (supra)**.** Considerable discussion was made in regard to transposing absolute numbers in terms of US earnings to India, applying the exchange rate thereto, and awarding compensation, but such a view was not entirely accepted in view of issues such as the possibility of over compensating, and also mechanical use of the multiplier, which would mean high multiplicand and high compensation on account of directly translating USD to its equivalent value in INR. It was observed:

> "**36.** …. According to the decisions referred to in the earlier part of this judgment, it is clear that the amount on account of social security as may have been received must have a nexus or relation with the accidental injury or death, so far to be deductible from the amount of compensation. There must be some correlation between the amount received and the accidental death or it may be in the same sphere, absence (*sic*) the amount received shall not be deducted from the amount of compensation. Thus, the amount received on account of insurance policy of the deceased cannot be deducted from the amount of compensation though no doubt the receipt of the insurance amount is accelerated due to premature death of the insured. So far as other items in respect of which learned counsel for the Insurance Company has vehemently urged, for example some allowance paid to the children, and Mrs Patricia Mahajan under the social security system, no correlation of those receipts with the accidental death has been shown much less established. Apart from the fact that contribution comes from different sources for constituting the fund out of which payment on account of social security system is made, one of the constituents of the fund is tax which is deducted from income for the purpose. We feel that the High Court has rightly disallowed any deduction on account of receipts under the insurance policy and other receipts under the social security system which the claimant would have also otherwise been entitled to receive irrespective of accidental death of Dr Mahajan. If the proposition "receipts from whatever source" is interpreted so widely that it may cover all the receipts, which may come into the hands of the claimants, in view of the mere death

> of the victim, it would only defeat the purpose of the Act providing for just compensation on account of accidental death. Such gains, maybe on account of savings or other investment etc. made by the deceased, would not go to the benefit of the wrongdoer and the claimant should not be left worse off, if he had never taken an insurance policy or had not made investments for future returns.
>
> (emphasis supplied)

8.3 ***Shashi Sharma***

In this matter, the question that concerned the Court was whether compensation under MVA is affected by the grant of compensation under Haryana Compassionate Assistance to Dependents of deceased Government Employees Rules, 2006 issued under Article 309 of the Constitution of India. It was held that since both these grounds of compensation have statutory force, claimants cannot be permitted to set up claims under both scenarios. The relevant discussion of the three-judge Bench is reproduced below:

> **"25.** The claimants are legitimately entitled to claim for the loss of "pay and wages" of the deceased government employee against the tortfeasor or insurance company, as the case may be, covered by the first part of Rule 5 under the 1988 Act. The claimants or dependants of the deceased government employee (employed by the State of Haryana), however, cannot set up a claim for the same subject falling under the first part of Rule 5—"pay and allowances", which are receivable by them from employer (the State) under Rule 5(1) of the 2006 Rules. In that, if the deceased employee was to survive the motor accident injury, he would have remained in employment and earned his regular pay and allowances. Any other interpretation of the said Rules would inevitably result in double payment towards the same head of loss of "pay and wages" of the deceased government employee entailing in grant of bonanza, largesse or source of profit to the dependants/claimants. Somewhat similar situation has been spelt

out in Section 167 of the Motor Vehicles Act, 1988 which reads thus:

> "**167.** ***Option regarding claims for compensation in certain cases***.—Notwithstanding anything contained in the Workmen's Compensation Act, 1923 (8 of 1923) where the death of, or bodily injury to, any person gives rise to a claim for compensation under this Act and also under the Workmen's Compensation Act, 1923, the person entitled to compensation may without prejudice to the provisions of Chapter X claim such compensation under *either of those Acts but not under both*."
>
> (emphasis supplied)

26. Indeed, similar statutory exclusion of claim receivable under the 2006 Rules is absent. That, however, does not mean that the Claims Tribunal should remain oblivious to the fact that the claim towards loss of pay and wages of the deceased has already been or will be compensated by the employer in the form of ex gratia financial assistance on compassionate grounds under Rule 5(1). The Claims Tribunal has to adjudicate the claim and determine the amount of compensation which appears to it to be just. The amount receivable by the dependants/claimants towards the head of "pay and allowances" in the form of ex gratia financial assistance, therefore, cannot be paid for the second time to the claimants. True it is, that the 2006 Rules would come into play if the government employee dies in harness even due to natural death. At the same time, the 2006 Rules do not expressly enable the dependants of the deceased government employee to claim similar amount from the tortfeasor or insurance company because of the accidental death of the deceased government employee. The harmonious approach for determining a just compensation payable under the 1988 Act, therefore, is to exclude the amount received or receivable by the dependants of the deceased government employee under the 2006 Rules towards the head financial assistance equivalent to "pay and other allowances" that was last drawn by the deceased government employee in the normal course. This is not to say that the amount or payment receivable by the dependants of the deceased government employee under Rule 5(1) of the Rules, is the total entitlement under the head of "loss of income". So far as the claim towards

> loss of future escalation of income and other benefits is concerned, if the deceased government employee had survived the accident can still be pursued by them in their claim under the 1988 Act. For, it is not covered by the 2006 Rules..."

8.4 ***Sebastiani Lakra***

In this case, the Court while dealing with the total compensation payable to the claimants on account of the death of the 52 year old government servant, the question was whether the amount received by the claimants under the Employees Family Benefit Scheme[13] being Rs.50,082/- per month should be deducted from the compensation as calculated by the Tribunal. The High Court had allowed the deduction, however, did not provide any reasons for having taken such a view. This Court concluded that the case stood on a different footing from ***Shashi Sharma*** as the benefit herein was not statutory in nature. Further, it was observed that the amount payable under the EFB Scheme happens only once the benefits received by the legal heirs of the deceased are deposited. In other words, amounts of gratuity and all other benefits totaling to Rs.27,43,991/- were deposited and now they were receiving Rs.50,082/- per month till the date of retirement as would have been, of the deceased. The Court noted that this situation was beneficial for the claimants since, if the two amounts are compared, even a 12% interest rate on Rs.28,00,000/- approximately would be about Rs.22000/- less per month. The said amount, therefore, could not be deducted at the time of computation under MVA.

[13] EFB

8.5 ***Swaminathan***

In this case, a co-ordinate Bench of this Court allowed an appeal filed by the Insurance Company being aggrieved by the increase of compensation beyond the original claimants ask. While this submission was rejected and it was held that the Court could increase the compensation beyond what had been asked for by the claimants, it was observed that the deduction of medical expenses by the learned Single Judge on account of the fact that the employer had already paid the same, was affirmed. We are, however, of the view that the holding in this case may not aid the appellant insurer herein for the reason that the observation made by this Court arose in a specific fact of the employer having reimbursing medical expenses. Neither reimbursement by the employer a general condition prevalent across cases, nor is it clear from the order of this Court whether the respondent in the said case had a Mediclaim policy to his name.

9. Having considered judgments of this Court as above, we are of the considered opinion that the answer to the question raised in this appeal is not a matter of *Sherlockian* deduction. A Mediclaim policy is a policy that is purchased by a person, accounting for the uncertainties of life and preparing a financial base for an unfortunate possible eventuality. The human body is a coming together of intricate systems where there is always a possibility that something may go wrong or may need mending. In today's time when medical expenses are skyrocketing for a variety of reasons, the ability to meet such expenses, suddenly as and when they may arise, is not something that rests with all. It is, as such, a necessary facet

of preparation that people undertake. It doesn't specifically deal with accidental coverage only.

10. The contractual benefit of reimbursement of medical expenses as a result of this policy is, therefore, independent of any other claim. The provisions of the MVA are only triggered in the unfortunate eventuality if a death or injury arising out of a motor vehicle an accident occurs. That in itself, when it does arise, cannot eclipse the contractual benefit to which a person who has paid premiums, is entitled too. Compensation under MVA while it recognizes reimbursement of medical expenses is distinct from the contractual benefit, though it may be with respect to the very same heads. If the view of the High Courts that this would amount to "*double benefit*" is agreed to by this Court, a peculiar situation will arise. On the one end, it may save compensation from being affected by *double benefit*, if it can be called that, but on the other, it would denude the claimant of the benefits that arise out of them parting with their hard-earned money in the form of Mediclaim premiums. It would also amount to an undue advantage to the company granting the Mediclaim policy to the claimant if the claimant's claim is extinguished by the award of the MACT having granted medical expenses for, they would have received the premium but would not be required to pay any amount in the event of medical bills having arisen. Similarly, it may amount to an unjust benefit to the insurer of the offending vehicle if they are not required to compensate under one of the heads of medical expenses solely on account of the fact that the claimant had received the benefit of a policy for which they had been paying premiums for years on end. There is yet another aspect. The guiding yardstick in Mediclaim *vis a vis* MVA is different. In the former, a Mediclaim

policy is taken up to a certain amount and if the claim of the policy holder once found to be holding merit go beyond it, the holder has no option but to foot the bill out of pocket however in the latter, because of its beneficial nature the only guide is the broad principle of just and fair compensation. Put differently, the compensation that may be awarded thereunder has no strict monetary limits.

11. We may also say that looking at these two amounts as "*double benefit*" may not be appropriate since one situation is only the fruit of amounts already paid in the past. Only because they appear same or similar, they cannot be termed as "*double benefit*". Still further there is another reason why these two amounts stand on a different footing. The amount received under MVA arises from a beneficial legislation and as guided by just compensation which is intended to put the injured or the claimants (*legal representatives of the deceased*) in a position, as far as possible, at least monetarily, if the accident in question had not taken place. Naturally, this stands on a higher pedestal - not only because it is a statutory entitlement of compensation but also because the nature of the statute is entirely beneficial. To equate these two amounts to pulling down the MVA or unnecessarily hyping up the Mediclaim policy.

A SECONDARY, BUT IMPORTANT ISSUE

12. There is one other issue that we must address. The chart that is given in paras 4 and 5 of this judgment reveals something unsettling. There are contrary positions of law being taken by the same High Court, whether it be by the benches of the same strength or by the benches of lesser strength in ignorance of

pronouncements made by the benches of higher strength. Some illustrations from the tables above are:

	DELHI HIGH COURT CASES			
Sl.No.	Mediclaim Not Granted	Bench Strength	Mediclaim Granted	Bench Strength
1.	***Jaswant Kaur Sethi v. Tamal Das,*** *MAC. APP. No. 352 of 2006*	***1J***	***National Insurance Co. Ltd. v. Aman Kapur,*** *2013 SCC OnLine Del 4891*	***1J***
2.	***National Insurance Co. Ltd. v. R.K. Jain,*** *2012 SCC OnLine Del 3303* ***[Distinguishes Helen Rebello]***	***1J***		
3.	***National Insurance Co. v. Deepmala Goel,*** *2012 SCC OnLine Del 1958*	***1J***		
4.	***IFFCO Tokio General Insurance Co. v. Kisanlal Sharma****, 2019 SCC OnLine Del 11091* *[Claimant surrendered claim under medical expenses]*	***1J***		
5.	***National Insurance Co. Ltd. v. Shiela Avinashi,*** *2012 SCC OnLine Del 532*	***1J***		
6.	***Bajaj Allianze General Insurance Co. Ltd. v. Ganpat Rai Sehgal,*** *2012 SCC OnLine Del 42*	***1J***		
7.	***UP State Road Transport Corporation v. Rama Chugh,*** *2019 SCC OnLine Del 11627*	***1J***		
8.	***New India Assurance Co. Ltd. v. Arjun Singh,*** *2019 SCC OnLine Del 11625*	***1J***		
9.	***Oriental Insurance Co. Ltd. v. Ravi Jain,*** *2025 SCC OnLine Del 8966*	***1J***		

	KERALA HIGH COURT CASES			
10.	***National Insurance Company Ltd. v. Akber Badsha,*** *2015 SCC OnLine Ker 26742*	*2J*	***National Insurance Co. Ltd. v. Bijumon,*** *2010 SCC OnLine Ker 4775*	*1J*
11.	***Mariamma James v. Alphones Antony,*** *2016 SCC OnLine Ker 29226*	*2J*		

	PUNJAB AND HARYANA HIGH COURT CASES			
12.	***National Insurance Co. Ltd. v. Shashank Bhardwaj,*** *2016 SCC OnLine P&H 19393*	*1J*	***Royal Sundram General Insurance Co. Ltd. v. Meenakshi Mann,*** *2019 SCC OnLine P&H 7801*	*1J*
13.	***ICICI Lombard General Insurance Co. v. Harminder Singh Rosha,*** *2018 SCC OnLine P&H 7738*	*1J*		
14.	***United India Insurance Co. Ltd. v. Jaswant Singh,*** *FAO No. 532 of 2014*	*1J*		
15.	***Vishal v. Bugga Singh,*** *2016 SCC OnLine P&H 1338*	*1J*		

	BOMBAY HIGH COURT CASES			
16.	***The New India Assurance Co. v. Dineshchandra Shantilal Shah & Ors.*** *First Appeal No. 657 of 2013*	*1J*	***Vrajesh Navnitlal Desai v. K. Bagyam,*** *2005 SCC OnLine Bom 156*	*1J*
17.	***Shirkant @ Srikant Kashinath Gaude v. Suryakant Uttam Gaude.*** *F.A. No. 64 of 2009*	*1J*	***Royal Sundaram Alliance Insurance Co. Ltd. v. Ajit Chandrakant Rakvi,*** *2019 SCC OnLine Bom 496*	*1J*
18.			***State of Goa v. Michael Joaquim F.D. Souza,*** *2022 SCC OnLine Bom 1672*	*1J*
19.			***United India Insurance Co. Ltd. v. Anjana, 2012*** *SCC OnLine Bom 129*	*1J*
20.			***Reliance General Insurance Co. Ltd. v. Aman Sanjay Tak,*** *2023 SCC OnLine Bom 883*	*1J*

	MADHYA PRADESH HIGH COURT CASES			
21.	***Jitendra vs. Rahul,*** *MANU/MP/0366/2008*	*1J*	***Madhya Pradesh State Road Trans. Corpn. v. Priyank,*** *1999 SCC OnLine MP 18*	*2J*

			Mamta Yadav v. Amrat Singh, *2023 SCC OnLine MP 7166*	*IJ*

13. When such inconsistencies are left unaddressed, it leads to various problems, primary among them being that it leads to judicial inconsistency and uncertainty. This creates difficulties for counsel and the Court for, opposing judgments may give clients hope for differing outcomes or even for a Court in the future to have to examine multiple cases with differing opinions on the same point. Till such times the opposing views exist, judicial uncertainty is in play for settled precedents ensure definitive outcomes but if contrary views exist, it becomes a matter of choice to follow one and leave aside the other, and it remains no longer, a matter of law. Connected to this is its direct impact on judicial efficiency for if the law on a point is clear it is a matter of fair ease to follow settled precedents leading to a reduction in future effort thereby saving time. Performing a judicial duty or rendering justice which is certain, just, fair and expeditious.

14. When considering these issues, the roles both the Bar and the Bench must be addressed. Counsel appearing in Court to plead the case of a particular party making all effort possible, while balancing ethics and their duty towards the Court, to secure a victory for their clients. It is this duty towards the Court which requires them to bring to the Court's notice judgments both that aid their case and also those that do not. It is here that the counsel's awareness of law and grasp on facts are their greatest assets, enabling them to distinguish judgments that may seemingly be against them and still secure a favourable order. This duty is all the

more important in the present day because all the Courts are polyvocal. Tens of orders and judgments are pronounced every day across a range of issues and so, the Court before which they are appearing may not be aware of the latest pronouncement. They must disclose the same to the Court ensuring consistency. That being so, the entire burden cannot be placed only on counsel. The Court itself has an independent tri-fold duty, to apply correct law even if the counsel does not cite the same, ensure consistency with precedent, and avoid *per incuriam* decisions. While this duty is one part of reality, a Court hearing nearly hundred matters a day and in some cases across a variety of laws and jurisdictions, having to dictate daily orders, write judgments and so much more, is the other part. So, *in essence,* both the Bar and the Bench are responsible for minimising the problems that arise in the face of inconsistent judicial opinion. They are both constituents of the justice delivery system, and all actions must be guided by a sense of service to the system, further facilitating reduction of pendency.

CONCLUSION

15. In *fine*, we hold that the amount received as part of Mediclaim/medical insurance is not deductible from compensation as calculated by the concerned Tribunal, adjudicating a claim for compensation under the MVA which may also include compensation under the head of medical expenses, if claimed. These two stand on a different footing - *one* is statutory while the *other* is contractual and the latter is only a *sequitur* of premiums having been paid in the past while the other is an entitlement as a consequence of an accident or death in a motor vehicle accident.

16. The matter is remanded to the High Court for making a determination consistent with this opinion. The appeal is dismissed as meritless. Pending application(s), if any, shall stand disposed of.

……..…….J
(SANJAY KAROL)

…….J.
(VIPUL M. PANCHOLI)

New Delhi;
May 15, 2026