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**COMMISSIONER UNDER EMPLOYEE'S COMPENSATION ACT, 1923**  
**(DISTT. SOUTH-EAST)**  
**LABOUR DEPARTMENT, GOVT. OF NCT OF DELHI**  
**LABOUR WELFARE CENTER, BAL MUKUND KHAND**  
**GIRI NAGAR, KALKAJI NEW DELHI-110019**

No. CEC/SED/D/43/2023 / 2955-2959

Dated 10/06/2025

In the matter of:

Smt. Bobby (Mother of deceased)  
Shaukat Ali (Father of deceased)  
Aryan Ali (Minor son of the deceased)  
All R/o A-140, Gola Kuan  
Tehkhand, Okhla Indl. Area  
Phase-1, New Delhi -110020

ok

.....Claimant

Adv. Rubina & Associates  
Seat No. 8, Central Hall, Patiala House Court  
New Delhi - 110001.

.....Claimant's Counsel

V/s

M/s Advance Fire & Safety  
Through its Prop.  
Office H-77, UPSIDC Indl. Area  
Phase-1, MG Road, Massuri  
Distt. Hapur, U.P.-245101

.....Respondent No. 1

M/s Bajaj Allianz General Insurance Co. Ltd.  
93, Ashok Bhawan, 6<sup>th</sup> Floor  
605-608, Nehru Place, New Delhi-110019

.....Respondent No. 2

Gulnaaz Khatoon W/o Late Sh. Kohinoor  
Daughter of Sh. Ramzan Khan  
R/o Village Patepur PO Amraudha  
Distt. Kanpur Dehat, (U.P.)

.....Respondent No. 3

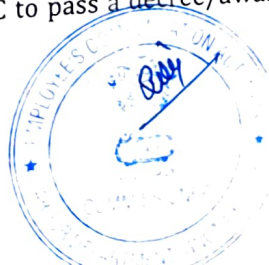
**ORDER**

1. This order shall dispose of the claim petition filed on 12.11.2023 by Smt. Bobby & Others (hereinafter referred to as claimants) from the deceased family members before the Commissioner under Employee's Compensation Act, 1923 (hereinafter referred to as the Act) at District South East, Labour Department, GNCTD against the three respondents namely M/s Advance Fire Safety (Respondent No. 1), M/s Bajaj Allianz General Insurance Co. Ltd. (Respondent No. 2) and third respondent who is the wife of the deceased but has not chosen to become a petitioner and hence perform a party.





2. The brief of the case as per the petition filed by the claimant is that the deceased Late Sh. Kohinoor was employed as a Driver on Maruti Eeco car number UP14-JT-8004 with the Respondent No. 1. On 27.10.2021, at around 11:30 PM, on the Yamuna Express Way an unknown vehicle hit this vehicle from behind, in which the driver sustained serious injuries and while taking to Kailash Hospital, he was declared brought dead by the Doctors. The postmortem was conducted in the district mortuary, Noida vide PMR No. 1406/2021 dated 28.10.2021. The case was reported to Jewar Police Station and later on FIR was filed by PS – Naujhil, District Mathur vide FIR No. 360/2021 u/s 279/338/304A of IPC. The claimant submitted that the deceased was the employee of the Respondent No. 1, Respondent No. 1 being a registered owner of vehicle which is insured by Respondent No. 2 vide policy no. OG-21-9910-1803-0000-3894 for period 01.10.2021 to 30.09.2022. The deceased was 32 years of age and was drawing salary of Rs.20,000/- per month. After the death, the deceased's wife left her in-law's house leaving behind minor son who is a claimant no. 3 in this case. The claimant no. 1 is the mother and claimant no. 2 are father of the deceased. The whereabouts of deceased's wife is unknown and therefore she is made Respondent No. 3 in this case. After the accident, the same was within the knowledge of Respondent No. 1. The claimant has visited Respondent No. 1's office but they refused to pay the death compensation till date. Accordingly, they prayed the CEC Court to grant them relief of death compensation along with interest, penalty and the dues under the provisions of EC Act, 1923. The claim is supported by the affidavit of claimants, Court fee exemption and limitation application, ID proof, medical documents, vehicle documents, insurance documents and police complaint related documents.
3. On receipt of the claim, summon was issued to the all the respondents for appearance on 02.01.2024, 07.02.2024, 13.02.2024, 07.05.2024, 19.07.2024, 28.08.2024, 25.09.2024, 02.12.2024, 09.12.2024, 08.01.2025, 03.02.2025, 07.04.2025 and 30.04.2025. On these dates, representative of Respondent No. 1 Adv. Pawan Kumar Sharma and the representative of Respondent No. 2 Adv. Manu Kushwaha appeared, received copy of claim for filing replies.
4. The reply was filed by Respondent No. 1 on 07.05.2024, where they have admitted that the deceased was their employee who was paid Rs.700/- per day. Further, stated that he has already released Rs.2,63,000/- as per acceptance letter and hand receipt of claimant no. 1. The education expense of children of the deceased is also borne by Respondent No. 1. They have admitted that the Respondent No. 2 has insured their vehicle. Lastly, prayed to dismiss the case and delete the name of Respondent No. 1 from this case, because they have already paid substantial amount to the deceased family.
5. On 25.09.2024, the claimant sought adjournment for filing rejoinder. The R-2 representative Ms. Manu Kushwaha orally stated that they are willing to pay insured amount as per the terms & conditions of the policy and parties are negotiating the settlement terms. The R-2 Counsel sought adjournment for filing settlement on N.D.O.H. i.e. 21.10.2024. Thereafter, the Respondent No. 2 did not appear on next two hearings.
6. On 03.02.2025, representative of the claimant appeared and filed the written submission stating that the insurance company had no defence so they had filed settlement deed, the insurance company fails to record the statement of their representative despite Court notice. Now, the petitioners are not willing to settle the matter with the Respondent No. 2 and accordingly requested the CEC to pass a decree/award on the basis of admission of







both Respondent No. 1 and Respondent No. 2 as laid down under Order XII Rule 6 of the CPC.

7. On 30.04.2025, the R-2 has filed WS in which most of the objections are taken as per the Insurance Act and EC Act disowning the liability in case terms & conditions of the Insurance policy is not met. They have further stated therein that they have no liability to pay the interest & penalty under the provisions of the Insurance Act. They have admitted the fact that the said vehicle which is owned by Respondent No. 1 was insured by them as per the policy details provided in the claim statement. Apart from this, most of the contents of the claim petition was denied by the Insurance Company. Along with this WS, copy of settlement deed was filed which was executed on 21.10.2024 between the claimants and the R-2, wherein R-2 has agreed to pay Rs.16,00,000/- as full & final settlement without penalty towards the death claim settlement of late Sh. Kohinoor Ali.
8. In view of above-mentioned contexts, following are the vital facts which is highlighted beneath which have appropriate relevance with the case:
- In this case, claim has been filed by Smt. Bobby and Ors. claiming death compensation of Late Sh. Kohinoor who was the son of Smt. Bobby & Sh. Shaukat Ali (mother & father respectively) who met with an accident during & in course of employment.
  - The claimants have filed their identity proof of self and the deceased.
  - The ID Card of the deceased explains that he was employee of the Respondent No. 1.
  - The claim has been filed against two respondents – M/s Advance Fire & Safety and M/s Bajaj Allianz General Insurance Co. Ltd.
  - The Respondent No. 1 has taken the insurance of his vehicle which was driven by the deceased through Respondent No. 2.
  - The accident has been registered as FIR No. 360/2021 from P.S.- Naujhil of Mathura District.
  - The copy of postmortem, death certificate and medical documents of Kailash Hospital suggests that Sh. Kohinoor died due to accident occurred while he was driving the said vehicle of Respondent No. 1.
  - The copy of the insurance policy bearing no. OG-21-9910-1803-0000-3894 issued by the Respondent No. 2 suggests that the vehicle in which the deceased has expired is owned by Respondent No. 1-i.e. Respondent No. 1 is insured by Respondent No. 2 against any vehicle damage along with the legal liability (workman compensation of the driver) for which required and additional premium has been paid by Respondent No. 1 to Respondent No. 2.
  - On 09.12.2024, the claimant side has filed deed of settlement duly notarized on 07.12.2024 executed between claimant and Respondent No. 2, according to which as per the amicable settlement, an amount of Rs.16,00,000/- is to be paid by Respondent No. 2 to the claimant side within 30 days from the date of settlement, after receiving this amount the petitioner shall withdraw the case pending before the CEC, Court against the Respondent No. 2.





- j) In the WS, the Respondent No. 1 admitted that the deceased was his employee and he has already paid Rs.2,63,000/- to the deceased family, his vehicle being insured by Respondent No. 2.
- k) On 30.04.2025, WS is filed by the insurance company wherein he has taken certain objections as per the provisions of the Insurance Act and terms & conditions of the Insurance policy.
- l) On 30.04.2025, the Respondent No. 2 counsel expressed her inability to pay the settlement amount, because they have been waiting for speaking order from the CEC Court.
- m) The claimant counsel prayed for additional interest for violating 30 days clause of settlement because the payment has not yet reached their bank account nor deposited before the CEC Court.

9. Findings:

No rejoinder and issues have been framed in this case; it is a clear case of admission on the part of Respondent No. 1 and acceptance of insurance by the Respondent No. 2. The only issue arise is who shall pay the compensation amount, the Respondent No. 1 and/or Respondent No. 2. Since, the Respondent No. 2 has come forward and executed a settlement deed for Rs.16,00,000/- which has been done out of Court without the consent or prior knowledge of the CEC Court. The CEC Court is not bound to accept this settlement deed which has been done out of the Court and have been settled for lessor amount than the principal amount of death compensation. In this case, the principal amount of death compensation calculated as per the formula = 50% of wages X Age Factor = 50% of 15000 X 219.95 as given in EC Act, 1923 is calculated accordingly which comes to Rs.16,49,625/- which is exclusive of interest calculated @12% p.a. w.e.f. 27.11.2021 which comes to Rs.6,76,346.25/- and the funeral of Rs.5000/-.

It is surprising that when the settlement deed was executed on 21.10.2024 why the insurance company has failed to pay the settled amount till date and why they are waiting for an acceptance order from the CEC Court. As per the terms of settlement, Rs.16,00,000/- should have been given by Respondent No. 2 to claimant side in November, 2024 which has been violated and hence the settlement no longer remains valid. Under Section 28 of the EC Act, 1923, it is upon the Commissioner to decide whether to record the memorandum of settlement or to refuse the same on the grounds as mentioned in the Act.

After considering the whole entire case, the CEC is of the opinion is that the settlement deed executed on 21.10.2024, is violation of the spirit of the law wherein the claimant is denied the right to get the interest & penalty part. The economical and educational disability of the claimant should not be taken as an advantage by the opposite party to get the settlement deed executed forcing them to accept the amount which is less than the principal amount. As per the settled law, the Insurance Company who indemnifies the owner is liable to pay principal amount and interest. Thus, the Commissioner on the





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grounds of inadequacy of settlement amount offered by the Respondent No. 2 to the claimant, the settlement deed is rejected and hence cannot be registered under the provisions of the EC Act, 1923.

10. In view of above, the CEC directs the Respondent No. 2 i.e. M/s Bajaj Allianz General Insurance Co. Ltd. to deposit principal and interest amount total comes to Rs.23,30,971/- (Twenty-Three Lakhs Thirty Thousand Nine Hundred Seventy-One) in the name of CEC, South East by way of Demand Draft within 30 days of passing of this order.
11. In case, the ordered amount is not deposited within 30 days, additional interest w.e.f. 01.05.2025 till the date of deposit shall be borne extra by the Insurance Company. Further, the recovery proceedings shall be initiated against the Respondent No. 2 as per section 31 of the Act for not compliance of this order.
12. The amount of penalty is not calculated while passing this order because no separate show cause notice has been served to the Respondent No. 1 and/or Respondent No. 2 u/s 4A(3)(b).

Given under my hand and seal of this 05 day of June, 2025.

**(U.K. SINHA)**  
**COMMISSIONER UNDER**  
**EMPLOYEE'S COMPENSATION**

