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

% *Date of Decision: 29.07.2025*

\+ **MAC.APP. 198/2024**

AMAR SINGH .....Appellant

Through: Mr. Rudra Kahlon, Advocate

versus

IFFCO-TOKIO GENERAL INSURANCE CO.LTD. & ORS. .....Respondents

Through: Ms. Adv. Khushi Sachdeva

CORAM:
HON'BLE MS. JUSTICE TARA VITASTA GANJU

TARA VITASTA GANJU, J.: (Oral)

1. The present Appeal has been filed on behalf of the Appellant under Section 173 of the Motor Vehicles Act, 1988 against the Award dated 22.09.2023 [hereinafter referred to as “Impugned Award”] passed by learned Presiding Officer, MACT, South District, Saket Courts, New Delhi in Petition No. 2107/19 titled as ***Amar Singh v. Vinod & Ors.*** By the Impugned Award, compensation in the sum of Rs. 33,60,344/- has been awarded to the Appellant/Claimant along with interest at the rate of 9% per annum.

2. Briefly, the facts are that, in May 2019, the Appellant/injured was allegedly hit by a dumper bearing no. UP-25CT-0877 [hereinafter referred to as “offending vehicle”], while he was unloading vegetables from the tempo parked on the left side of the road. The Appellant claims that the driver of the offending vehicle while driving rashly and at high speed, had hit the Appellant and as a result of which the Appellant fell down on the road and

the offending vehicle ran over his left leg causing him grievous injuries. Thereafter the Appellant was hospitalised at, Etah, and subsequently referred to the District Hospital, Agra, where initial medical aid was provided. For further specialized treatment, he was then referred to GTB Hospital, Dilshad Garden, Delhi, where he was admitted from 30.05.2019 to 01.07.2019. During his hospitalization, the left leg above the knee was amputated, which resulted in disarticulation of the left hip and the loss of the left lower limb. resulting in a 90% permanent physical disability.

3. Learned Counsel appearing on behalf of the Appellant had on 06.05.2025 has restricted his challenge in the present Appeal to the issue of future prospects alone. It is the case of the Appellant that 40% future prospects should have been granted to the Appellant/injured since the Appellant/injured has suffered 90% permanent physical impairment in relation to lower limb.

3.1 Learned Counsel appearing on behalf of the Appellant submits that the Appellant/injured was working was a vegetable vendor and after the accident, he has not been able to undertake any activity in view of the nature of his disability.

4. Learned Counsel appearing on behalf of the Appellant also seeks to rely upon the judgment of the Supreme Court in ***Pappu Deo Yadav v. Naresh Kumar & Ors.***[1] and ***National Insurance Co. Ltd. v Pranay Sethi***[2] to submit that the Appellant/injured is entitled to compensation for loss of future prospects at the rate of 40%.

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[1] 2020 SCC OnLine SC 752
[2] 2017 (16) SCC 680

4.1 It is thus contended by the learned Counsel appearing for the Appellant that the Appellant/injured who was 23 years old vegetable seller at the time of the accident would come into the category of a self-employed and being below 40 years of age, the addition to be made for future prospects would be at the rate of 40%.

5. Learned Counsel appearing on behalf of the Respondent has fairly contended that in terms of the settled law as laid down by the Supreme Court and the judgment in the ***Pranay Sethi*** case, the calculation of future prospects for self employed should have been done at the rate of 40%.

6. The Supreme Court in the judgment of ***Pranay Sethi & Ors.*** case has held that future prospects must be added to the income of the deceased to ensure just compensation. The Court prescribed standardized additions based on age: 50% for salaried individuals below 40 years, and 40% for self-employed individuals in the same age group, with proportionate reductions for higher age brackets, where the person has a permanent job and is below the age of 40 years, the addition should be 50%. The relevant extract is set out below:

> *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 years, the addition should be 15%. Actual salary should be read as actual salary less tax.*
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> ***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."

[Emphasis Supplied]

7. The Supreme Court in ***Pappu Deo Yadav*** case while discussing future prospects in a similar scenario and also relying on the judgment in ***Jagdish v. Mohan & Ors.*** has held that a claim for compensation for loss of future prospects should be given at the rate of 40% based on the judgment in the ***Pranay Sethi*** case. The relevant extract of ***Pappu Deo Yadav*** case is below:

> *"12. In view of the above decisive rulings of this court, the High Court* ***clearly erred in holding that compensation for loss of future prospects could not be awarded. In addition to loss of future earnings (based on a determination of the income at the time of accident), the appellant is also entitled to compensation for loss of future prospects, @ 40% (following the Pranay Sethi principle).***
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> *13. The factual narrative discloses that the appellant,* ***a 20-year-old data entry operator (who had studied up to 12th standard) incurred permanent disability, i.e. loss of his right hand (which was amputated). The disability was assessed to be 89%.*** *However, the tribunal and the High Court re-assessed the disability to be only 45%, on the assumption that the assessment for compensation was to be on a different basis, as the injury entailed loss of only one arm. This approach, in the opinion of this court, is completely mechanical and entirely ignores realities. Whilst it is true that assessment of injury of one limb or to one part may not entail permanent injury to the whole body, the inquiry which the court has to conduct is the resultant loss which the injury entails to the earning or income generating capacity of the claimant. Thus, loss of one leg to someone carrying on a vocation such as driving or something that entails walking or constant mobility, results in severe income generating impairment or its extinguishment altogether. Likewise, for one involved in a job like a carpenter or hairdresser, or machinist, and an experienced one at that, loss of an arm, (more so a functional arm) leads to near extinction of income generation. If the age of the victim is beyond 40, the scope of rehabilitation too diminishes. These individual factors are of crucial importance which are to be borne in mind while determining the extent of permanent disablement, for the purpose of assessment of loss of earning capacity."*

[Emphasis supplied]

8. The compensation awarded by the learned Tribunal in the Impugned Award was awarded in the following manner:

"35. The total compensation in favour of the petitioner is assessed as under:

MEDICAL EXPENSES	*Rs. 4,149/-*
PAIN & SUFFERINGS & ENJOYMENT OF LIFE	*Rs. 2,00,000/-*
SPECIAL DIET, CONVEYANCE & ATTENDANT	*Rs. 70,000/-*
LOSS OF INCOME	*Rs. 1,73,616/-*
FUTURE LOSS OF INCOME	***Rs. 28,12,579/-***
LOSS OF AMENITIES	*Rs. 1,00,000/-*
TOTAL	*Rs. 33,60,344/-*

RELIEF

*36. In view of my findings, I award **Rs. 33,60,344/- (Rupees Thirty Three Lakhs Sixty Thousand Three Hundred Forty Only) to the petitioner as compensation along with interest @9% per annum** from the date of filing the petition till its realisation…"*

[Emphasis Supplied]

9. Pursuant to the directions passed by this Court, an affidavit of calculation has been placed on record by the Appellant. It is apposite to set out paragraph 3 of the affidavit, which is below:

"3. The calculations of the future prospects are as follows:

Tribunal has taken minimum wages of an unskilled worker as Rs. 14,468 prevalent at the time of accident. The appellant was 23 years of age at the time of accident, so the multiplier taken is 18 and the disability at 90% as per Disability Certificate issued.

Minimum wages:	*Rs. 14,468*
40% future prospects	*Rs. 5787.2*
Total:	*Rs. 20,255.2*
Compensation	*20,255.2 x 12 x 18 x 90% = Rs. 39,37,610/-*
Minus already granted:	*Rs. 28,12,579/-*

Total to be paid now:	*Rs. 11,25,031/-*

Rate of Interest applicable: 9% already granted from the date of filing of the petition."

10. Learned Counsel appearing on behalf of the Respondent/Insurance Company submits that the affidavit has been examined and on instructions, accords its no objection to the calculations placed on record.

11. For the reasons as stated above, the Impugned Award is modified in the following terms:

(i) The Appellant/injured shall be awarded additional compensation of Rs. 11,25,031/- along with interest at the rate of 9% per annum from the date of the Impugned Award.

(ii) The enhanced compensation shall be awarded to the Appellant/injured in the same proportion as is set out in the Impugned Award.

12. The Appeal is disposed of in the aforegoing terms. All pending Applications stand closed.

13. The Respondent/Insurance Company shall deposit the enhanced amount with the Registry of the Court within six weeks from today. Once deposited, the Appellant shall be at liberty to take appropriate steps for its withdrawal in accordance with the scheme as set out in the Impugned Award.

14. The parties shall act based on the digitally signed copy of the Order.

TARA VITASTA GANJU, J

JULY 29, 2025/*g.joshi*