



2025:DHC:11082



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IN THE HIGH COURT OF DELHI AT NEW DELHI

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Decided on: 08.12.2025

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MAC.APP. 786/2013

THE ORIENTAL INSURANCE CO LTD

.....Appellant

Through: Mr. A.K. Soni, Advocate (VC)

versus

SH VIKRAM SINGH & ORS

.....Respondents

Through: Mr. Arshdeep Singh Khurana, Mr.
Sulakshan Vedartam and Ms.
Diksha Ramnani, Advocates for
R-1**CORAM:****HON'BLE MR. JUSTICE PRATEEK JALAN****PRATEEK JALAN, J. (ORAL)**

1. The appellant – Oriental Insurance Co. Ltd. [“Insurance Company”] has preferred the present appeal against an award dated 07.06.2013, passed by the Motor Accident Claims Tribunal [“Tribunal”] in MACT No. 182/12/11, whereby the claimant [respondent No.1 herein] has been granted compensation of Rs.27,41,281/- alongwith interest at the rate of 7.5% per annum.

2. The order of this Court dated 11.08.2025 records as follows:

*“2. Learned Counsel for the Appellant submits that by an order dated 27.08.2013, 70% of the awarded amount has already been released to the Claimants. Learned Counsel for the Appellant further submits that the only ground of challenge is on the award of future prospects. It is contended by learned Counsel for the Appellant that the deceased was 26 years old and thus, in terms of the judgment of **National Insurance Co. Ltd. v. Pranay Sethi**; (2017) 16 SCC 680, the compensation for loss of future prospects should have been 40%, however the learned Trial Court has awarded 50% compensation for loss of future prospects. Learned*



Counsel for the Appellant submits that in terms of the settled law, the compensation for loss of future prospects should have been 40%.

3. The second ground of challenge by the Appellant in this Appeal is on the ground of no recovery rights being granted.

*4. On the aspect of driving license being fake, learned Counsel fairly concedes that this issue no longer survives in terms of the judgment passed by this Court in MAC.APP. 45/2021 captioned **Surjeet Singh v. National Ins Co Ltd & Ors.** relying on the judgment of the Supreme Court in **United India Insurance Co. Ltd. v. Lehu & Ors.**; AIR 2003 SC 1292. Thus, the challenge is limited to the grant of future prospects.”*

3. I have heard Mr. A.K. Soni, learned counsel for the Insurance Company, and Mr. Arshdeep Singh Khurana, learned counsel for respondent No. 1, on the issue of grant of future prospects.

4. The evidence before the Tribunal, which now stands factually accepted, establishes that respondent No. 1 sustained injuries in a road accident on 17.12.2010. At approximately 11:30 P.M., he was travelling on his motorcycle bearing registration No. DL-8S-ND-1613 near Bharthal Chowk, Dwarka, when it was collided with by the insured vehicle bearing registration No. HR-55G-2349, driven by respondent No. 3 herein. As a result, respondent No. 1 suffered head injuries, multiple fractures, and abrasions, for which he was hospitalized from 17.12.2010 to 03.01.2011, and again from 13.04.2011 to 20.05.2011. At the time of the accident, he was 26 years old, and employed as a helper with M/s Orient Craft Ltd., Gurgaon, Haryana, earning a monthly salary of Rs.8,000/-.

5. The Tribunal returned a finding that the accident occurred due to the rash and negligent driving of the driver of the insured vehicle – respondent No.3, and assessed the permanent disability and loss of earning capacity of respondent No.1 at 100%. These findings are undisputed.

6. The Tribunal awarded a 50% enhancement towards future prospects,



relying on the judgments of the Supreme Court in *Santosh Devi v. National Insurance Co. Ltd.*¹, and *Rajesh v. Rajbir Singh*².

7. The issue has since been authoritatively settled by the Constitution Bench of the Supreme Court in *National Insurance Co. Ltd. v. Pranay Sethi*,³ which prescribes the parameters for awarding future prospects in the following manner:

“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.

*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.”*⁴

8. In the present case, there is no dispute regarding the employment of respondent No.1 with M/s Orient Craft Ltd. Respondent No.1, as PW-1, deposed in his affidavit of evidence as follows:

*“16. I say that I was employed as Helper with M/s Orient Craft Ltd., at Gurgaon, Haryana at the time of accident and was getting a salary of about Rs.5,000/- per month. My salary was rising gradually on an average compound rate of about 15% per annum. In the month of March 2010 I got a gross salary of Rs. 4532/- , which was increased to Rs. 5014 in the month of October 2010. **My original salary slips from the month of***

¹ (2012) 6 SCC 421.

² (2013) 9 SCC 54.

³ (2017) 16 SCC 680 [hereinafter “*Pranay Sethi*”].

⁴ Emphasis supplied.



March 12010 to October 2010 are Ex PW 4 /10 (8 sheets colly). I am suffering complete loss of income from the day of my accident. Now I have been disabled and have permanently confided to bed. Now I will never be able to work and earn again. My earning capacity has been reduced to zero whereas my living expenses have been increased to almost triple. Now I have to spent extra sum on transportation, medication, nursing etc.”

9. In his cross-examination by learned counsel for the Insurance Company, respondent No.1 admitted that he was unable to produce documentary proof regarding the alleged 15% increment in his annual salary. He, however, stated that his salary had increased from Rs.4,532/- in March 2010 to Rs.5,014/- in October 2010.

10. A representative of the employer, Mr. Sudhir Kumar, was examined as PW-5. He proved the salary slips of respondent No. 1 for the period from June 2010 to November 2010 and, in cross-examination by learned counsel for Insurance Company, specifically denied the suggestion that respondent No. 1 was not a permanent employee. He further denied that the respondent's income would not have increased over time.

11. The principles laid down in *Pranay Sethi*, permit a 50% addition towards future prospects, where the victim was in permanent employment. Paragraph 59.4 applies when the salary is fixed. Having regard to the entire evidence before the Tribunal, particularly to the effect that the salary of respondent No. 1 was subject to increase periodically, I am of the view that the Tribunal's award on the aspect of future prospects does not warrant interference in this appeal.

12. As the appeal is confined to this issue alone, it is accordingly dismissed.

13. By order dated 27.08.2013, the Insurance Company was directed to



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deposit the entire awarded amount, along with up-to-date interest, before the Registrar General of this Court, out of which 70% was released to respondent No. 1. Pursuant thereto, the balance amount shall be released to respondent No.1 in accordance with the directions of the Tribunal.

14. The statutory deposit shall be refunded to the Insurance Company.

PRATEEK JALAN, J

DECEMBER 8, 2025

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