



2026:DHC:2242



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* IN THE HIGH COURT OF DELHI AT NEW DELHI

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Date of decision: 17th March 2026+ MAC.APP. 145/2019

MANJU SINGH

.....Appellant

Through: Mr. S.N. Parashar, Mr. Umesh
Kumar, Advocates.

versus

NAIM KHAN & ORS (HDFC ERGO GEN INSURANCE CO
LTD)

.....Respondents

Through: Ms. Neerja Sachdeva, Advocate for
respondent no.3/Insurance Company
(through VC).**CORAM:****HON'BLE MR. JUSTICE ANISH DAYAL****JUDGMENT****ANISH DAYAL, J (ORAL)**

1. This appeal has been filed seeking enhancement of compensation awarded by order dated 4th March 2017 passed by the Motor Accident Claims Tribunal, (Central) Tis Hazari Courts, Delhi (*'MACT'*) in MACT No.335/2015/ New Suit No. 356819/16 whereby an award of Rs.10,57,064/- along with interest @ 9% per annum.

2. The matter relates to an accident that occurred on 15th November 2014, at about 11:35 PM when *Rajat Pratap Singh/* deceased was driving a Maruti car bearing registration no. DL-2CAH-3767 from I.S.B.T., Kashmere Gate towards I.T.O. with two other passengers. The car collided with a truck



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bearing registration no. HR-55T-4920 wrongly parked in the middle of the road without any indicator or parking lights on. Due to the impact, all occupants sustained injuries and *Rajat Pratap Singh* was declared brought dead when taken to the Lok Nayak Hospital, Delhi. FIR was registered and chargesheet and criminal proceedings were initiated. Claim petition was filed by the mother of deceased.

3. The deceased was 26 years of age at the time of the accident. The MACT held the notional income at Rs.10,487/- per month basis the minimum wages of a skilled worker.

4. *Mr. S.N. Parashar*, counsel for claimant, states that in calculating the loss of dependency, the MACT did not award either *future prospect* which ought to have been awarded at 40% considering the age of deceased at 26 years of age. Further, a multiplier of '11' was wrongly applied based on the age of the mother of the deceased.

5. Needless to emphasise that on both these issues, the compensation has to be aligned with the principles enunciated in *National Insurance Co. Ltd. v. Pranay Sethi* (2017) 16 SCC 680 and *Sarla Verma v. DTC*, (2009) 6 SCC 121.

6. Reliance can be placed on the judgement of *Pranay Sethi* (*supra*) wherein the Supreme Court with respect to *future prospects* for fixed salary and self-employed persons. The Supreme Court noted as under:

“57. Having bestowed our anxious consideration, we are disposed to think when we accept the principle of standardisation, there is really no rationale not to apply the said principle to the self-employed or a person who is on a fixed salary. To follow the doctrine of actual income at the time of death and not to add any amount with regard to future prospects to the income for the purpose of determination of multiplicand would be



unjust. The determination of income while computing compensation has to include future prospects so that the method will come within the ambit and sweep of just compensation as postulated under Section 168 of the Act. In case of a deceased who had held a permanent job with inbuilt grant of annual increment, there is an acceptable certainty. But to state that the legal representatives of a deceased who was on a fixed salary would not be entitled to the benefit of future prospects for the purpose of computation of compensation would be inapposite. It is because the criterion of distinction between the two in that event would be certainty on the one hand and staticness on the other. One may perceive that the comparative measure is certainty on the one hand and uncertainty on the other but such a perception is fallacious. It is because the price rise does affect a self-employed person; and that apart there is always an incessant effort to enhance one's income for sustenance. The purchasing capacity of a salaried person on permanent job when increases because of grant of increments and pay revision or for some other change in service conditions, there is always a competing attitude in the private sector to enhance the salary to get better efficiency from the employees. Similarly, a person who is self-employed is bound to garner his resources and raise his charges/fees so that he can live with same facilities. To have the perception that he is likely to remain static and his income to remain stagnant is contrary to the fundamental concept of human attitude which always intends to live with dynamism and move and change with the time. Though it may seem appropriate that there cannot be certainty in addition of future prospects to the existing income unlike in the case of a person having a permanent job, yet the said perception does not really deserve acceptance. We are inclined to think that there can be some degree of difference as regards the percentage that is meant for or applied to in respect of the legal representatives who claim on behalf of the deceased who had a permanent job than a person who is self-employed or on a fixed



salary. But not to apply the principle of standardisation on the foundation of perceived lack of certainty would tantamount to remaining oblivious to the marrows of ground reality. And, therefore, degree-test is imperative. Unless the degree-test is applied and left to the parties to adduce evidence to establish, it would be unfair and inequitable. The degree-test has to have the inbuilt concept of percentage. Taking into consideration the cumulative factors, namely, passage of time, the changing society, escalation of price, the change in price index, the human attitude to follow a particular pattern of life, etc., an addition of 40% of the established income of the deceased towards future prospects and where the deceased was below 40 years an addition of 25% where the deceased was between the age of 40 to 50 years would be reasonable.

(emphasis supplied)

7. In the present case, applying the principle laid down in **Pranay Sethi** (*supra*) this Court is of the view that the MACT erred in not awarding any amount towards *future prospects*. The deceased was 26 years of age, accordingly an addition of 40% towards *future prospects* is liable granted.

8. Further, reliance can be placed on the judgment of **Sarla Verma** (*supra*) wherein Supreme Court held that multiplier is to be ascertained based on the age of the deceased. The Court noted as under:

“19....

Step 2 (Ascertaining the multiplier)

Having regard to the age of the deceased and period of active career, the appropriate multiplier should be selected. This does not mean ascertaining the number of years he would have lived or worked but for the accident. Having regard to several imponderables in life and economic factors, a table of multipliers with reference to the age has been identified by this Court. The multiplier should be chosen from the said table with reference to the age of the deceased... ”



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(emphasis supplied)

9. In the present case, applying the principle enunciated in *Sarla Verma (supra)*, multiplier has to be determined with reference to the age of the deceased and not the dependents. Since the deceased was 26 years of age, the application of multiplier 11 based on the age of the mother is erroneous and liable to be corrected. Accordingly, the multiplier of 17 has to be applied considering the age of the deceased.

10. Conventional heads such as *loss of consortium*, *loss of estate*, and *funeral expenses* are also to be aligned in terms of *Pranay Sethi (supra)*. Compensation awarded under the head of loss of love and affection shall be *nil*, in view of the law laid down in *United India Insurance Co. Ltd. v. Satinder Kaur*, (2021) 11 SCC 780.

11. The revised compensation is as under:

S.no.	Heads of Compensation	Awarded by the Tribunal	Awarded by this Court
1.	Loss of income per month (A)	Rs. 10,478/-	Rs. 10,478/-
2.	Future Prospects @40% (B)	Nil	Rs. 4,191/-
3.	Less Personal expenses of the deceased (C) 1/3 rd	Rs. 3,493/-	Rs. 4,890/-
4.	Monthly Loss of Dependency (A+B-C=D)	Rs. 6,985/-	Rs. 9,779/-
5.	Annual loss of dependency (D x 12=E)	Rs. 83,820/-	Rs. 1,17,348/-
6.	Multiplier (F)	11	17
7.	Total loss of dependency (E x F = G)	Rs. 9,22,064/-	Rs. 19,94,916/-
8.	Medical expenses (H)	Nil	Nil
9.	Compensation for loss of consortium (I)	Nil	Rs. 40,000/-
10.	Compensation for loss of love and affection (J)	Rs. 1,00,000/-	Nil
11.	Compensation for loss of estate (K)	Rs. 10,000/-	Rs. 15,000/-



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12.	Compensation towards funeral expenses (L)	Rs.25,000/-	Rs. 15,000/-
13.	Total compensation (G+H+I+J+K+L = M)	Rs. 10,57,064/-	Rs. 20,64,916/-
14.	Rate of Interest Awarded	9%	9%

12. Enhanced compensation alongwith 9% interest per annum from date of filing the petition will be deposited before the MACT within a period of four weeks.

13. It is directed that a lump sum of Rs. 1,00,000/- shall be released to the claimant within a period of two weeks thereafter. The remaining amount, along with accrued interest, shall be kept in Fixed Deposit Receipts (**FDRs**) of Rs. 15,000/- each for periods of 1 month, 2 months, 3 months and so on, in succession as maybe calculated. The interest accruing on the said FDRs shall be credited to the designated Savings Bank Account of the claimant. The amount of FDRs on maturity would be released to the Savings Bank Account of claimant upon due verification.

14. Appeal stands disposed of in above terms. Pending applications, if any, are rendered infructuous.

15. Judgment be uploaded on the website of this Court.

(ANISH DAYAL)
JUDGE

MARCH 17, 2026/ak/zb