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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**
+ **MAC.APP. 415/2013**

Date of decision: 30th January 2026

RANDHIR SINGH

.....Appellant

Through: Mr. S. N. Parashar, Adv with Mr.
Ritik Singh, Adv.

versus

HARVINDER & ORS.

.....Respondents

Through: Ms. Shruti Jain, Proxy Counsel
for Mr. Pankaj Seth, SC for
respondent no.3.

CORAM:

HON'BLE MR. JUSTICE ANISH DAYAL

JUDGMENT

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ANISH DAYAL, J. (ORAL)

1. This appeal has been filed by insured claimant seeking enhancement of the compensation awarded by the Motor Accident Claims Tribunal (**'MACT'**) in Claim No.1100/2008 by impugned judgment and award dated 29th September 2012. The Tribunal awarded a compensation of *Rs.1,50,000/-* along with interest @ 7.5% per annum.

2. The accident occurred on 8th November 2008 at about 4.30 p.m. when appellant was travelling from Delhi to Saharanpur on his motorcycle along with his son and son in-law when a *Wagon R* coming from Saharanpur side at high speed, in a rash and negligent manner, hit the motorcycle, causing all three riders to fall on the road and sustain grievous injuries.



3. *Mr. S.N. Parashar*, counsel for appellant, seeks enhancement principally on the ground that no compensation was granted on account of *loss of future income*.

4. The appellant was 56 years of age on the date of the accident and would have continued in service as a sweeper in Railways till 28th March 2012; however, he was removed from service by order dated 25th May 2010, in view of the fact that he was unfit for all medical categories of Indian Railways.

5. The opinion of the Medical Board had been sent to the Railway Headquarters and was exhibited as **Ex. PW-4/A**.

6. **PW-4**, *Dr. M. B. Shankhwar*, the medical representative of the Medical Board gave his testimony that the Board comprised four members and that he was one of the co-opted members. They examined the patient and reached the conclusion that “*patient is suffering from infected no union of fracture RT Femur with osteomyelitis lower end of RT. Femur with markedly restricted movement of RT knee and RT hip without any improvement despite of all kind of surgical treatment and chances of any further improvement is not there. The patient required continuous support even for activities of daily living. Medical Board found him unfit for all medical categories of Indian Railways services. The medical board finding were sent to Railway Head Quarter*”.

7. *Mr. S.N. Parashar*, counsel for appellant, therefore, contends that with such disability of the right leg, even though the percentage of disability was not assessed, the loss of employment of appellant would have to be considered, as the same was a direct consequence of the disability resulting from the accident.



8. In this regard, he claims that for the two years, i.e. from 2010 to 2012, during which the appellant would have continued in service, he would have been entitled to a salary of at least *Rs. 14,680/-*. After his retirement at the age of 60, it is further submitted that the appellant would have been entitled to future prospects at the rate of 15% as a salaried employee, with a multiplier of 9, as per the principles laid down in *National Insurance Co. Ltd. v. Pranay Sethi* (2017) 16 SCC 680.

9. The same has been objected to by *Ms. Shruti Jain*, counsel for Insurance Company. She states that sufficient compensation was given by the MACT, including under non-pecuniary heads and considering that there was no disability assessment by Medical Board as confirmed by the testimony of **PW-4**, the question of awarding any further amounts does not arise.

10. As regards loss of income, the MACT noted that the deceased-appellant was unable to prove financial loss in respect of his salary, as he did not lead any evidence in this regard. Therefore, based on the testimony of **PW-4**, *Dr. M.B. Shankhwar*, the MACT awarded compensation of *Rs. 60,000/- on account of disability*.

11. However, it is quite evident from the communication of Railways dated 25th May 2010, that the deceased claimant was considered unfit from service due to the injuries and, therefore, had to be invalidated for service; clearly the loss of the job has been a direct result from the injuries caused by the accident.

12. Accordingly, the income that he would have otherwise earned if he had continued in service ought to be awarded to the claimant.

13. However, there is another aspect is to be considered. *Mr. S.N.*



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Parashar, points out that appellant died on 06th January 2014, just after the appeal was registered and was survived by legal representatives/ now claimants namely, *Sh. Rajesh*, *Sh. Dharmendra* and *Sh. Pramod Kumar* (per amended memo of parties).

14. In this scenario, question of awarding loss of future income post his death would not be apposite or reasonable. The reparation, which is provided to an injured-appellant, is principally for the loss of income that he would have suffered and would have been deprived of during his lifetime.

15. It is a fact that the injured passed away during the pendency of appeal only his legal heirs are pursuing this appeal before this Court. Also, that the injured was given forced retirement due to disability and that he could have continued to earn his salary until retirement, at best he would have been entitled to compensation amounting to his last drawn salary of Rs. 14,680/- per month from the date he was removed from service, i.e. 25th May 2010, till the date of his death, i.e. 06th January 2014.

16. The Constitutional Bench of the Supreme Court in ***National Insurance Co. Ltd. v. Pranay Sethi***, (2017) 16 SCC 680 emphasised that “just compensation” under Section 168 of the Motor Vehicle Act 1988 must rest on fairness, reasonableness and equity, avoiding both windfall gains and inadequate awards. The Court stressed pragmatic and uniform computation, including future prospects, to ensure proximity to real loss. Relevant paragraph is extracted as under:

“55. Section 168 of the Act deals with the concept of “just compensation” and the same has to be determined on the foundation of fairness,



reasonableness and equitability on acceptable legal standard because such determination can never be in arithmetical exactitude. It can never be perfect. The aim is to achieve an acceptable degree of proximity to arithmetical precision on the basis of materials brought on record in an individual case. The conception of “just compensation” has to be viewed through the prism of fairness, reasonableness and non-violation of the principle of equitability. In a case of death, the legal heirs of the claimants cannot expect a windfall. Simultaneously, the compensation granted cannot be an apology for compensation. It cannot be a pittance. Though the discretion vested in the tribunal is quite wide, yet it is obligatory on the part of the tribunal to be guided by the expression, that is, “just compensation”. The determination has to be on the foundation of evidence brought on record as regards the age and income of the deceased and thereafter the apposite multiplier to be applied. The formula relating to multiplier has been clearly stated in Sarla Verma (2009) 6 SCC 121 and it has been approved in Reshma Kumari (2013) 9 SCC 65 . The age and income, as stated earlier, have to be established by adducing evidence. The tribunal and the courts have to bear in mind that the basic principle lies in pragmatic computation which is in proximity to reality. It is a well-accepted norm that money cannot substitute a life lost but an effort has to be made for grant of just compensation having uniformity of approach. There has to be a balance between the two extremes, that is, a windfall and the pittance, a bonanza and the modicum. In such an adjudication, the duty of the tribunal and the courts is difficult and hence, an endeavour has been made by this Court for standardisation which in its ambit includes addition of future prospects on the proven income at present. As far as future prospects are concerned, there has been standardisation keeping in view the



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principle of certainty, stability and consistency. We approve the principle of “standardisation” so that a specific and certain multiplicand is determined for applying the multiplier on the basis of age.”
(emphasis added)

17. Therefore, considering that the Motor Vehicles Act, 1988 has been enacted with the primary object of providing a statutory framework for awarding just and reasonable compensation to victims of motor vehicle accidents, or to their dependents who are rendered helpless and financially vulnerable due to the untimely death or injury of a family member, the provisions of the Act cannot be misused for obtaining undue benefit or making a profit out of a claim. In this case, *Mr. S. N. Parashar*, counsel for appellant/legal heirs of deceased admits that the sons are older in age and were not dependant on the father. Therefore, in these peculiar circumstances, the Court considers it just and reasonable that the loss of income that the deceased would have earned till his retirement and consequential benefits till his death must be repaired and corrected.

18. As held by the Supreme Court in *Sarla Verma v. Delhi Transport Corporation* (2009) 6 SCC 121, compensation under the Act is intended to be fair, equitable, and not a *bonanza*, largesse or source of profit. The relevant paragraphs from *Sarla Verma* (*supra*) in this regard are extracted as under:

“16. Compensation awarded does not become “just compensation” merely because the Tribunal considers it to be just. For example, if on the same or similar facts (say the deceased aged 40 years having annual income of Rs 45,000 leaving his surviving wife and child), one Tribunal awards Rs 10,00,000 another awards Rs 5,00,000, and yet another awards Rs



1,00,000, all believing that the amount is just, it cannot be said that what is awarded in the first case and the last case is just compensation. “Just compensation” is adequate compensation which is fair and equitable, on the facts and circumstances of the case, to make good the loss suffered as a result of the wrong, as far as money can do so, by applying the well-settled principles relating to award of compensation. It is not intended to be a bonanza, largesse or source of profit.

(emphasis added)

19. Accordingly, this Court deems it appropriate to award loss of future income only up to the date of death of the deceased, i.e., 06th January 2014.

20. In any case, in regard to *future prospects* for age group of 60, Nil has been prescribed by the guidelines in ***Pranay Sethi*** (*supra*) therefore, the claimant would not be entitled to *future prospects*.

21. Accordingly, the compensation is re-computed as under:

Sr. No.	Heads of compensation	Awarded by the Tribunal	Awarded by this Court
1	Expenditure on treatment	Rs. 60,000/-	Rs. 60,000/-
2	Pain and Sufferings	Rs. 15,000/-	Rs. 15,000/-
3	Special diet & Conveyance	Rs. 15,000/-	Rs. 15,000/-
4	On account of disability	Rs. 60,000/-	Rs. 60,000/-
5	Loss of future income (Rs.14,680/- X 43 months)		Rs. 6,31,240/-
6	Total compensation	Rs. 1,50,000/-	Rs. 7,81,240/-
7	Interest awarded	7.5% per annum	7.5% per annum
	Enhanced amount	Rs. 6,31,240/-	



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22. Accordingly, in the peculiar facts and circumstances of the present matter, an amount of Rs. 7,81,240/- is awarded in favour of the appellant/legal heirs of the deceased. However, the same shall not be treated as a precedent, as the relief granted in the present matter is restricted to the facts and circumstances of this case.

23. Considering that the compensation of Rs. 1,50,000/- has already been received by the claimant, the enhanced amount along with interest @7.5% per annum, as directed by MACT, from date of filing of claim petition may be deposited before the Registry of this Court within a period of six weeks which will be disbursed to the legal representatives, as per amended memo of parties, upon verification in equal amounts, i.e. 1/3rd each.

24. The appeal is accordingly disposed of. Pending applications (if any) are also rendered infructuous.

25. Statutory deposit (if any) be refunded to the appellant.

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

**ANISH DAYAL
JUDGE**

JANUARY 30, 2026/RK/bp