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

% *Date of decision: 20th February 2026*

(10)

+ **MAC.APP. 984/2016 & CM APPL. 43779/2016**

RELIANCE GENERAL INSURANCE CO LTDAppellant

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

versus

SANJAY SACHDEVA & ORSRespondents

Through: Mr. Mayank Khurana, Advocate along with respondent no.1 in person.

(11)

+ **MAC.APP. 1004/2016 & CM APPL. 51009/2022**

SANJAY SACHDEVAAppellant

Through: Mr. Mayank Khurana, Advocate along with appellant in person.

versus

BHOLA MAHATO & ORS (M/S RELIANCE GENERAL INSURANCE CO LTD)Respondents

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

CORAM:

HON'BLE MR. JUSTICE ANISH DAYAL

JUDGMENT

ANISH DAYAL, J (ORAL)

1. These are cross-appeals which have been filed impugning Judgment dated 29th August 2016, passed by the Motor Accident Claims



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Tribunal (**MACT**), Tis Hazari Courts, Delhi in Petition No. No.77029/2016. MAC.APP. 984/2016 has been filed by the Insurance Company challenging the award on the basis of assessment of benchmark income at *Rs.12,000/-* per month, without any evidence, and that the functional disability should not be assessed as more than 40%. The cross-appeal, MAC.APP. 1004/2016, has been filed by the claimant seeking enhancement of compensation.

2. The accident occurred on 10th May 2012 at about 10:45 AM near *Tagore Garden, Rajouri Garden, New Delhi*, when *Sanjay Sachdeva* injured, was going on motorcycle and was hit by a truck bearing registration no. HR-38-N-5102, driven at high speed in a rash and negligent manner, resulting in grievous injuries to the injured. A claim petition was filed by the injured, whereby MACT *vide* judgment dated 29th August 2016, awarded compensation of *Rs. 39,10,090/-* along with 9% interest per annum from the date of filing of the petition.

3. Enhancement has been sought on the following parameters; **firstly**, that the disability having been certified at 93% permanent disability with respect to right lower limb, should be considered at above 40%; **secondly**, that the assumption of benchmark income at *Rs.12,000/-* per month to be assessed in the context of the certificates of qualification which have been produced by the claimant; **thirdly**, that the age of the claimant was 34 years on the date of the accident and, therefore, a multiplier of 16 ought to have been applied; and **lastly**, that as per the principles of *National Insurance Company Limited v. Pranay Sethi &*



Ors. (2017) 16 SCC 680, *future prospects* at 40% ought to have been granted.

4. The Court has perused the MACT's award and finds that testimony of **PW-3/Dr. Naresh Chandra**, Ortho Specialist, Guru Gobind Singh Hospital, who was a member of the Medical Board and has examined claimant, was recorded. According to the Disability Certificate (**EX.PW3/1**), the claimant suffered 93% permanent physical disability in relation to his right lower limb.

5. *Mr. Mayank Khurana*, counsel for claimant, states that claimant is unable to even bend his knee, considering that his right leg is effectively non-functional and, therefore, his employment and livelihood have been seriously affected. He relies upon the decision of the Supreme Court in **Sandeep Khanuja v. Atul Dande** (2017) 3 SCC 351, where in similar circumstances, the claimant was a Chartered Accountant and had been certified with 70% permanent disability. The Supreme Court assessed the permanent disability at 70% itself, enhancing it from 45% as had been assessed by the MACT. The Supreme Court stated as under:

“14. The crucial factor which has to be taken into consideration, thus, is to assess as to whether the permanent disability has any adverse effect on the earning capacity of the injured. In this sense, MACT approached the issue in the right direction by taking into consideration the aforesaid test. However, we feel that the conclusion of MACT, on the application of the aforesaid test, is erroneous. A very myopic view is taken by MACT in taking the view that 70% permanent disability suffered by the appellant would not impact the earning capacity of the appellant. MACT thought that since the appellant is a



Chartered Accountant, he is supposed to do sitting work and, therefore, his working capacity is not impaired. Such a conclusion was justified if the appellant was in the employment where job requirement could be to do sitting/table work and receive monthly salary for the said work. An important feature and aspect which is ignored by MACT is that the appellant is a professional Chartered Accountant. To do this work efficiently and in order to augment his income, a Chartered Accountant is supposed to move around as well. If a Chartered Accountant is doing taxation work, he has to appear before the assessing authorities and appellate authorities under the Income Tax Act, as a Chartered Accountant is allowed to practice up to Income Tax Appellate Tribunal. Many times Chartered Accountants are supposed to visit their clients as well. In case a Chartered Accountant is primarily doing audit work, he is not only required to visit his clients but various authorities as well. There are many statutory functions under various statutes which the Chartered Accountants perform. Free movement is involved for performance of such functions. A person who is engaged and cannot freely move to attend to his duties may not be able to match the earning in comparison with the one who is healthy and bodily abled. Movements of the appellant have been restricted to a large extent and that too at a young age. Though the High Court recognised this, it did not go forward to apply the principle of multiplier. We are of the opinion that in a case like this and having regard to the injuries suffered by the appellant, there is a definite loss of earning capacity and it calls for grant of compensation with the adoption of multiplier method, as held by this Court in Yadava Kumar v. National Insurance Co. Ltd.”

(emphasis supplied)



6. The other decision relied upon is *Mohd. Sabeer v. U.P. SRTC*, (2023) 20 SCC 774, where taking into account the decision of *Sandeep Khanuja* (*supra*), the Court enhanced the functional disability from 35% to 60% in a case where permanent disability was assessed at 70% in relation to right lower limb, resulting from amputation. The relevant paragraph is extracted as below:

“15. The appellant herein has suffered permanent disability of 70% and has an amputated right lower limb amongst other injuries. The High Court has wrongly taken the view that the appellant has only suffered 35% functional disability. The appellant is not a salaried person but is self-employed who manages his business. For the appellant to be able to augment his income, he is most definitely required to move around. The appellant can also not drive on his own, which hinders his mobility further. This proves that the functional disability of the appellant will severely impact his earning capacity, and the 35% functional disability calculated by the High Court is incorrect in the facts and circumstances of the case and in our view the loss of future earning capacity must be calculated at 60%.”

(emphasis supplied)

7. *Mr. A.K. Soni*, however, states that the functional disability should not be taken at more than 40%, considering that the person was doing a desk job and did not require much movement.

8. However, the Court is persuaded by the judgments of the Supreme Court, presented by counsel for claimant. Being an accountant or having a desk job does not mean that there is no further functionality required



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from a person. The observations made by the Supreme Court are, therefore, pertinent in this context.

9. Moreover, the educational qualifications of claimant exhibited as **Ex.PW-1/13** and **Ex.PW-1/14** show that he had professional skills in fashion designing and Computerized Accounts. He was a matriculate, had completed one year diploma in fashion designing from International Institute of Fashion Technology and one month course in Computerized Accounts (*Tally 6.3/Taxation*) from *Suneha Institute/Ex PW1/14*. Even the MACT states that these documents have not been disputed and there is no reason to disbelieve them. This clearly shows that claimant was engaged in more than a purely sitting job to earn his livelihood.

10. Keeping this into consideration and the principles enunciated in *Mohd. Sabeer (supra)* and *Sandeep Khanuja (supra)*, the functional disability ought to be considered at 70%, in context of the fact that permanent disability was certified as 93% with respect to right lower limb. This is also because the claimant underwent several operations on 10th May 2012, 23rd June 2012, 24th July 2012, 28th September 2012, 27th January 2014, 3rd March 2014 and 6th September 2014 and, incurred a huge amount of *Rs.23,31,090/-*, which details are on record.

11. As regards the notional income of *Rs.12,000/-*, even though there was no proof of income, minimum wages of a skilled worker at that time was *Rs.8,528/-*. Taking the benchmark income at *Rs.12,000/-* would not be amiss by the MACT. It was on record that claimant was running his own firm under the name and style of *M/s Sachdeva & Co.* and had



claimed that he was earning Rs.30,000/- per month. He had filed the photocopies of Income Tax Returns for the assessment years 2011-2012 and 2012-2013 as **Ex.PW1/11**. However, they were not formally proved by examining the witnesses from the Income Tax Department.

12. Considering that the photocopies filed have an acknowledgement receipt of the Income Tax Department, there is no reason to disbelieve the same. Accordingly, this aspect of computation will not be disturbed.

13. The MACT's reasoning that since the claimant could not work for 30 months from May 2012 till October 2014, his age should be considered as 36 years and 7 months, having lost 2 years since the date of the accident, in his recovery. This kind of assessment is completely illogical, random, non-standardized and unsustainable, which militates against the principles enunciated by the Constitution Bench in **Pranay Sethi (supra)**. Therefore, considering that the age of claimant was admittedly 34 years (*date of birth being 27th March 1978*) on date of accident, the *future prospects* at 40%, and a multiplier of 16 should be applied as per the principles in **Pranay Sethi (supra)**.

14. The revised computation is as under:

S. no	Heads of Compensation	Awarded by Tribunal	Awarded by the Court
	Pecuniary Loss		
1.	Expenditure on treatment (A)	Rs. 23,31,090/-	Rs. 23,31,090/-
2.	Expenditure on special diet (B)	Rs. 40,000/-	Rs. 40,000/-
3.	Expenditure on conveyance (C)	Rs. 25,000/-	Rs. 25,000/-
4.	Attendant charges (D)	Rs. 40,000/-	Rs. 40,000/-



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5.	Income of injured per month (E)	Rs. 12,000/-	Rs. 12,000/-
6.	Future prospects @ 40% (F)	Nil	Rs. 4,800/-
7.	Loss of income (E) x 30=(G)	Rs. 3,60,000/-	Rs. 3,60,000/-
8.	Functional disability (H)	40%	70%
9.	Multiplier (I)	15	16
10.	Loss of future income [(E+F) x 12 x H x I]= J	Rs. 8,64,000/-	Rs. 22,57,920/-
	Non-pecuniary loss		
11.	Pain and suffering (K)	Rs. 75,000/-	Rs. 75,000/-
12.	Loss of Amenities of Life (L)	Rs. 75,000/-	Rs. 75,000/-
13.	Loss of marriage prospects (M)	Rs. 1,00,000/-	Rs. 1,00,000/-
14.	Total (A+B+C+D+G+J+K+L+M)=N	Rs. 39,10,000/-	Rs. 53,04,010/-
15.	Interest	9%	9%

15. *Vide* order dated 25th November 2016, this Court directed stay of the impugned award subject to deposit of entire awarded amount along with 9% interest per annum with the MACT. Therefore, it is directed that the enhanced compensation along with 9% interest per annum from the date of filing the petition will be deposited before the MACT within a period of four weeks.

16. It is directed that a lump sum amount of Rs.5,00,000/- 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.25,000/- 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



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Savings Bank Account of the claimant. The amounts of FDRs on maturity would be released to the Savings Bank Account of claimant upon due verification.

17. Appeals are disposed of in the above terms. Pending applications, if any, are rendered infructuous.
18. Statutory deposit, if any, be refunded to the appellant.
19. Judgment be uploaded on the website of this Court.

(ANISH DAYAL)
JUDGE

FEBRUARY 20, 2026/ak/zb