



2026:DHC:4701



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\* **IN THE HIGH COURT OF DELHI AT NEW DELHI**% **Date of decision: 21<sup>st</sup> May 2026**+ **MAC.APP. 194/2015 & CM APPL. 3408/2015**

NEW INDIA ASSURANCE COMPANY LTD .....Appellant

Through: Mr. C.K. Gola, Advocate

versus

MONA SETH &amp; ORS .....Respondent

Through: Mr. Amit Kumar Pandey, Advocate  
for R-1 &2.**CORAM:****HON'BLE MR. JUSTICE ANISH DAYAL****JUDGMENT****ANISH DAYAL, J :(ORAL)**

1. This appeal has been filed by the Insurance Company, assailing impugned award dated 15<sup>th</sup> December 2014 passed by the Motor Accidents Claims Tribunal ('*MACT/Tribunal*'), South East, Saket Courts, New Delhi in Suit No. 145/14/13, whereby, compensation of Rs. 70,09,804/- along with 9% interest per annum was awarded.

2. The accident occurred on 27<sup>th</sup> October 2013 at about 12:10 p.m. when the deceased was travelling to Delhi on his motorcycle bearing registration no. HR-51AJ-8064. He was hit by a Haryana Roadways Bus bearing registration no. HR-73-5660 (hereinafter, '*offending vehicle*') driven in a rash and negligent manner from behind. He was crushed under the rear wheels of the offending vehicle and sustained multiple grievous injuries. He was taken to Jai Prakash Narayana Apex Trauma Centre and was declared dead after his medico legal examination was conducted.

3. *Mr. C.K. Gola*, counsel for Insurance Company, has raised two



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issues. **First**, Rs. 1,708/- has not been deducted towards the component of income tax from the gross salary of Rs. 41,542/-, despite it forming a part of the pay slip for the month of October 2013, exhibited as **Ex. PW-2/2**.

4. The Court has perused the pay slip and finds that, while the gross salary was taken as Rs. 41,542/-, the income tax was not deducted from the gross salary. Accordingly, the benchmark income will be taken as Rs. 39,834/- (Rs. 41,542 – Rs. 1,708) for the purpose of calculation of loss of dependency.

5. As regards the addition of 50% towards future prospects, same has been correctly determined by the MACT, since he was employed at Central Bank of India and therefore, the employment was permanent in nature. Deduction of 50% towards personal and living expenses has also been correctly assessed, since he was a bachelor aged 23 years at the time of the accident.

6. **Second**, an issue was raised that MACT has applied a multiplier of '18', taking the age of the deceased into account as opposed to the age of the mother.

7. Needless to say, this issue has been settled by the decisions in **Sarla Verma v. DTC**, (2009) 6 SCC 121 and, thereafter, in **National Insurance Co. Ltd. v. Pranay Sethi**, (2017) 16 SCC 680. On this account, the multiplier will be taken at '18'. Relevant observations of the Court in **Sarla Verma** (*supra*) are extracted as under:

*“41. Tribunals/courts adopt and apply different operative multipliers. Some follow the multiplier with reference to Susamma Thomas [(1994) 2 SCC 176 : 1994 SCC (Cri) 335] [set out in Column (2) of the table above]; some follow the multiplier with reference to Trilok Chandra [(1996) 4 SCC 362] , [set out in Column (3) of the table*



above]; some follow the multiplier with reference to Charlie [(2005) 10 SCC 720 : 2005 SCC (Cri) 1657] [set out in Column (4) of the table above]; many follow the multiplier given in the second column of the table in the Second Schedule of the MV Act [extracted in Column (5) of the table above]; and some follow the multiplier actually adopted in the Second Schedule while calculating the quantum of compensation [set out in Column (6) of the table above]. For example if the deceased is aged 38 years, the multiplier would be 12 as per Susamma Thomas [(1994) 2 SCC 176 : 1994 SCC (Cri) 335] , 14 as per Trilok Chandra [(1996) 4 SCC 362] , 15 as per Charlie [(2005) 10 SCC 720 : 2005 SCC (Cri) 1657] , or 16 as per the multiplier given in Column (2) of the Second Schedule to the MV Act or 15 as per the multiplier actually adopted in the Second Schedule to the MV Act. Some tribunals, as in this case, apply the multiplier of 22 by taking the balance years of service with reference to the retiring age. It is necessary to avoid this kind of inconsistency. We are concerned with cases falling under Section 166 and not under Section 163-A of the MV Act. In cases falling under Section 166 of the MV Act, Davies method [Davies v. Powell Duffryn Associated Collieries Ltd., 1942 AC 601 : (1942) 1 All ER 657 (HL)] is applicable.

42. We therefore hold that the multiplier to be used should be as mentioned in Column (4) of the table above (prepared by applying Susamma Thomas [(1994) 2 SCC 176 : 1994 SCC (Cri) 335] , Trilok Chandra [(1996) 4 SCC 362] and Charlie [(2005) 10 SCC 720 : 2005 SCC (Cri) 1657] ), which starts with an operative multiplier of 18 (for the age groups of 15 to 20 and 21 to 25 years), reduced by one unit for every five years, that is M-17 for 26 to 30 years, M-16 for 31 to 35 years, M-15 for 36 to 40 years, M-14 for 41 to 45 years, and M-13 for 46 to 50 years, then reduced by two units for every five years, that is, M-11 for 51 to 55 years, M-9 for 56 to 60 years, M-7 for 61 to 65 years and M-5 for 66 to 70 years.”

(emphasis added)



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8. The multiplier method has further been confirmed by the Supreme Court in *Pranay Sethi (supra)* and the relevant finding of the Court is as under:

*“59.6. The selection of multiplier shall be as indicated in the Table in Sarla Verma [Sarala Verma v. DTC, (2009) 6 SCC 121 : (2009) 2 SCC (Civ) 770 : (2009) 2 SCC (Cri) 1002] read with para 42 of that judgment.*

*59.7. The age of the deceased should be the basis for applying the multiplier.”*

(emphasis added)

9. Therefore, the submission made by counsel for appellant/Insurance Company, in this regard, is rejected and the finding of the MACT is sustained to that extent.

10. Further alignments shall have to be done as per *Pranay Sethi (supra)*. *Funeral expenses* and *loss of estate* will be calculated at Rs. 15,000/-; the head of *loss of love and affection* will stand deleted. *Loss of consortium* will be calculated at Rs. 80,000/- (40,000x 2).

11. Therefore, the revised computation is as under:

S. No.	Heads	Awarded by the Tribunal	Awarded by this Court
1	Income of deceased (A)	Rs. 41,542/-	Rs. 39,834/-
2	Add: Future Prospects (B)	Rs. 20,771/-	Rs. 19,917/-
3	Less: Personal expenses of deceased (C)	Rs. 31,156.5/-	Rs. 29,875.5/-
4	Loss of dependency (A+B)-C=D	Rs. 31,156.5/-	Rs. 29,875.5/-
5	Annual loss of dependency (Dx12) = (E)	Rs. 3,73,878/-	Rs. 3,58,506/-
6	Multiplier (F)	18	18
7	Total loss of dependency (E x F)= (G)	Rs. 67,29,804/-	Rs. 64,53,108/-



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8	Compensation for loss of consortium (H)	Nil	Rs. 1,20,000/-
9	Compensation for loss of love and affection (I)	Rs. 2,00,000/-	Nil
10	Compensation for loss of estate (J)	Rs. 50,000/-	Rs. 15,000/-
11	Compensation towards funeral expenses (K)	Rs. 30,000/-	Rs. 15,000/-
12	Total compensation (G+H+I+J+K) = L	<b>Rs. 70,09,804/-</b>	<b>Rs. 66,03,108/-</b>
13	Rate of Interest Awarded	9%	9%

### **Directions**

12. Accordingly, the compensation has been reduced by Rs. 4,06,696/-.
13. By order dated 26<sup>th</sup> February 2015, the Court had directed the appellant/Insurance Company to deposit 60% of the award amount, along with proportionate interest before the MACT, Bank Branch and the same was released to the claimants as per the terms of the impugned award.
14. Balance amount, as per the revised compensation, along with accrued interest, shall be deposited before the MACT, within the next four weeks, which shall be released to the claimants as per the directions given in the impugned award.
15. Appeal is, accordingly, disposed of. Pending applications (if any) are rendered infructuous.
16. Statutory deposit, if any, shall be refunded to appellant/Insurance Company only if the order of deposit has been complied with.
17. Judgment be uploaded on the website of this Court.

**(ANISH DAYAL)**  
**JUDGE**

**MAY 21, 2026/RK/sp**