2026:PHHC:136865

2026:PHHC:136866

IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH

(i) FAO No.4765 of 2014 (O&M)

Sukhwinder Gupta and another . . . . Appellants

vs.

Jeetinder Singh and others . . . . Respondents

****

(ii) FAO No.3573 of 2013

United India Insurance Co. Ltd. . . . . Appellant

vs.

Inderjit Singh Batra and others . . . . Respondents

****

(iii) FAO No.3574 of 2013

United India Insurance Co. Ltd. . . . . Appellant

vs.

Aman Kumari and others . . . . Respondents

****

(iv) FAO No.3575 of 2013

United India Insurance Co. Ltd. . . . . Appellant

vs.

Sukhwinder Gupta and others . . . . Respondents

****

(v) FAO No.3576 of 2013

United India Insurance Co. Ltd. . . . . Appellant

vs.

Esha Gupta and others . . . . Respondents

2026:PHHC:136865

****

(vi) FAO No.4447 of 2013 (O&M)

Esha Gupta and another . . . . Appellants

vs.

Jeetinder Singh and others . . . . Respondents

****

(vii) FAO No.4448 of 2013 (O&M)

Aman Kumari and another . . . . Appellants

vs.

Jeetinder Singh and others . . . . Respondents

****

(viii) FAO No.4449 of 2013 (O&M)

Inderjit Singh Batra and others . . . . Appellants

vs.

Jeetinder Singh and others . . . . Respondents

****

Reserved on: September 18, 2026
Pronounced on: September 22, 2026
Pronounced fully/operative part : Fully

* * * *

CORAM: HON'BLE MR. JUSTICE DEEPAK GUPTA

Argued By:- Mr. Vipul Aggarwal, Advocate
for the appellant in FAO No.4765 of 2014; and
for respondent No.1 in FAO No.3575 of 2013.

Mr. Arun Batra, Advocate
for the appellant in FAO No.4447 to 4449 of 2013; and
for respondent No.1 in FAO No.3573 to 3575 of 2013.

Mr. D.P. Gupta, Advocate
for the appellant in FAO Nos.3574 to 3576 of 2013.

None for respondent No.3
in FAO Nos.4447 to 4449 of 2013; and FAO No.4765 of 2014.

Mr. Maninder Arora and Ms. Simmi Brar, Advocates
for respondent No.6 in FAO No.3573 of 2013 and
for respondent No.5 in FAO Nos.3574 and 3576 of 2013.

DEEPAK GUPTA, J.

These eight appeals arise out of four separate awards, all dated 15.03.2013, passed by the Motor Accident Claims Tribunal, Fatehgarh Sahib ("the Tribunal"), in four claim petitions filed on account of the death of five members of a single family in one motor vehicle accident that occurred on 25.08.2009.

2. Four of these appeals (FAO Nos. 3573, 3574, 3575 and 3576 of 2013) have been preferred by United India Insurance Company Limited, the insurer of the offending truck-trailer, assailing the finding of negligence, the rejection of the defence relating driving-licence and the quantum of compensation awarded.

3. The remaining four appeals (FAO Nos. 4447, 4448, 4449 of 2013 and FAO No. 4765 of 2014) have been preferred by the respective claimants seeking enhancement of compensation.

4. Since all eight appeals arise from the same motor vehicular accident; common evidence was recorded with consent in the four connected petitions, and overlapping questions of law, were heard together and are being disposed of by this common judgment.

5. The record of MACT No. 12 of 2009/2012 (death of Dr. Rachna Batra) is treated as the lead file. The facts are common to all four petitions except to the identity of the deceased, the claimants and the individual proof of dependency and income, which are dealt with separately.

FACTS

6. On the night intervening 24/25.08.2009, five members of one family — Suniel Gupta, his mother Lalita Gupta, his brothers Anil Gupta and

2026:PHHC:136865

Parveen Gupta and his sister Dr. Rachna Batra — were travelling from Kathua to Haridwar in a Santro car bearing registration No. PB-08-AR-9024, carrying the ashes of Sh. Sawan Mal Gupta (husband of Lalita Gupta and father of the other occupants) for last rites. The car was being driven by Anil Gupta. Suniel Gupta was seated in front, while Parveen Gupta, Dr. Rachna Batra and Lalita Gupta occupied the rear seat. At about 3:00 a.m., near the bus stand at Mandi Gobindgarh, the car struck a truck-trailer bearing registration No. HR-45-0002 (offending vehicle), which was parked in a no-parking zone without any parking indicator, reflector or flapper. All five occupants of the car died on the spot. On the statement of Sanjay Kumar, who was following in another vehicle, FIR No. 177 dated 25.08.2009 was registered at Police Station Gobindgarh under Sections 283, 304-A and 427 IPC against the truck driver, who has since been charge-sheeted and faces trial before the learned SDJM, Amloh.

7. Respondent No.1 Jeetinder Singh is the driver, respondent No.2 M/s Akal Impex Cargo Mover is the owner; and respondent No.3 United India Insurance Company Limited is the insurer of the offending Truck.

8. Four separate claim petitions under Section 166 of the Motor Vehicles Act, 1988 came to be filed before the Tribunal:

(i) MACT No. 12 of 2009/2012, by the husband and two minor daughters of Dr. Rachna Batra;

(ii) MACT No. 14 of 2009/2012, by the widow and minor daughter of Parveen Gupta;

(iii) MACT No. 15 of 2010/2012, by the widow and minor son of Anil Gupta (the driver of the car); and

(iv) MACT No. 18 of 2010/2012, by the widow and minor son of Suniel Gupta.

Respondent No.4, National Insurance Company Limited (insurer of the car), was impleaded in the first, second and fourth of these petitions. It was not impleaded in the petition relating to Anil Gupta, he himself being behind the wheel.

9. By four separate but materially identical awards, all dated 15.03.2013, the Tribunal held, on common evidence, that the accident occurred solely on account of the negligent parking of the truck-trailer by respondent No.1, rejected the plea of an invalid/forged driving licence raised by respondent No.3, and awarded compensation as follows:

- ₹56,00,000/- for the death of Dr. Rachna Batra;
- ₹16,00,000/- for the death of Suniel Gupta (later enhanced to ₹27,55,000/- by the Tribunal's own order dated 24.02.2015);
- ₹50,12,000/- for the death of Anil Gupta; and
- ₹11,72,000/- for the death of Parveen Gupta.

In each case, interest @ 7.5% per annum was allowed from the date of filing of the petition, and with the liability of respondents No.1 and 2 declared joint & several, with direction to the insurer - respondents No.1 to indemnity.

10. Aggrieved, the insurer of the truck has preferred FAO Nos. 3573, 3574, 3575 and 3576 of 2013, raising three contentions:

(i) that the Tribunal ought to have apportioned contributory negligence to the deceased-driver of the car, who struck a stationary vehicle;

(ii) that the driver of the truck was not proved to hold a valid and effective driving licence, entitling the insurer either to be exonerated or, in the alternative, to a right of recovery against the owner or driver; and

(iii) that the compensation awarded in each of the four petitions is, in any event is excessive.

11. The claimants, in their cross-appeals, seek enhancement, primarily (as elaborated in the synopsis filed on behalf of the legal heirs of Dr. Rachna Batra) on the grounds that the Tribunal applied a truncated multiplier

of 7 instead of 15, deducted three-fourths of the income towards personal expenses instead of one-third, declined future prospects, misapplied the rate of exchange, and granted interest at 7.5% instead of the rate now settled by this Court.

POINTS FOR DETERMINATION

12. On the pleadings and submissions, the following points arise for determination in these connected appeals:

(i) Whether the Tribunal erred in fastening sole negligence on the driver of the truck-trailer, and in declining to apportion contributory negligence to the driver of the car?

(ii) Whether respondent No.3, the insurer of the truck, is entitled to be absolved of liability, or alternatively, to a right of recovery against respondents No.1 and 2, on the ground that the truck driver was not holding a valid and effective driving licence?

(iii) What is the "just compensation" payable in each of the four claim petitions and whether the compensation awarded by the Tribunal is excessive, as urged by the insurer; or inadequate, as urged by the claimants?

POINT NO. (i): NEGLIGENCE / CONTRIBUTORY NEGLIGENCE

13. The evidence on this issue is common to all four petitions. The claimants examined Sanjay Kumar as CW1, an independent eye-witness, who was travelling behind the car and had lodged the FIR within a few hours of the occurrence. The FIR was tendered in evidence as Ex.P1/Ex.C1, and marked, along with the charge-sheet filed against respondent No.1.

14. Respondents No.1 and 2, i.e. the driver and owner of the truck, had, in their respective written statements, categorically denied the very occurrence of the accident. However, while appearing as witnesses, they departed from their pleaded stand and admitted that the truck had, in fact, been parked on the road. As rightly noticed by the Tribunal, this was a material departure from their pleadings and could not be taken into

consideration, since a party is bound by its pleadings and cannot be permitted to introduce, through evidence, a wholly inconsistent case. Their application seeking amendment of the written statement to incorporate this subsequent stand was declined, and the revisions filed by them against the said order, being CR Nos. M-5847, 5848 and 5849 of 2012, were dismissed by this Court.

15. The respondents' remaining witnesses fare no better. RW1 Shri U.S. Kohli, who deposed that the vehicle behind the car had not reached the spot, admitted in cross-examination that he is merely a loss-assessor, not an investigator, and had neither examined the police record nor personally verified any fact with the concerned authority. RW2 (Blesson), examined to show that the car did not cross a toll plaza, conceded that some vehicles go unrecorded at the plaza and that he had no personal knowledge of the record relied upon. RW4 Naresh Kumar, photographer, whose photographs (Ex.R17 to Ex.R28) were pressed to found a plea of contributory negligence, admitted that they were taken at 7:30 a.m., more than four hours after the accident, which occurred at 3:00 a.m. and that photographs are capable of being tampered with. These photographs are consequently of no evidentiary value in reconstructing the position of the truck at the time of impact. RW5 – Satish Kumar did not even subject himself to cross-examination, rendering his affidavit worthless.

16. It is well settled that a heavy vehicle left standing on a public road, and particularly on a national highway, during the hours of darkness, without any tail-lamp, reflector, indicator or warning flapper, and in a no-parking zone, constitutes negligence per se on the part of the person responsible for parking it; as an approaching driver cannot be expected to anticipate and guard against so grave and unlawful obstruction. The burden of establishing that he nevertheless failed to exercise reasonable care i.e., of establishing contributory negligence, rests squarely on the party asserting it.

17. In the present case, contributory negligence was never pleaded by respondent No.3 in its written statement in any of the four petitions. It surfaced only as an argument built upon photographs taken hours after the

2026:PHHC:136865

event. A plea neither pleaded nor put to the claimants' witnesses in cross-examination, and unsupported by any contemporaneous material, cannot be permitted to be built up for the first time in argument, let alone in appeal.

18. The decisions relied upon by the insurer rendered in ***Raj Rani v. Oriental Insurance Co. Ltd., 2009 (13) SCC 654,*** and ***Oriental Insurance Co. Ltd. v. Chennappa Shettigar, 2008 (20) RCR (Civil) 912***, were correctly distinguished by the Tribunal, since neither involved a heavy vehicle abandoned, unlit and unmarked, in the middle of a national highway at night.

19. The claimants' authorities on the other hand including ***U.P. State Road Transport Corporation v. Radha Mohan Mall, 2004(4) RCR (Civil) 782 (P&H) (DB),*** and ***Swaran Kanta v. Manohar Lal, 1987 ACJ 531 (P&H),*** are squarely on the point that such negligent parking, without more, fixes sole liability on the person parking the vehicle.

20. This being essentially a finding of fact recorded by the Tribunal on a common appreciation of evidence across all four petitions, and the finding being neither perverse nor based on a misreading of the evidence, no ground is made out for interference by this Court sitting in appeal.

21. Point No.(i) is accordingly answered against the insurer-appellant and in favour of the claimants, affirming that the accident occurred solely on account of the negligence of respondent No.1 in parking the truck-trailer, and no case for apportioning contributory negligence to the driver of the car is made out on the pleadings, or the evidence.

POINT NO. (ii): THE DRIVING-LICENCE DEFENCE AND THE CLAIM FOR RECOVERY

22. Respondent No.3 pleaded that respondent No.1 was not holding a valid and effective driving licence, and sought either exoneration or a right of recovery against respondents No.1 and 2 under Section 149 of the Motor Vehicles Act, 1988.

23. The evidence discloses that respondent No.1 was found to be in possession of two driving licences — one purportedly issued at Pilibhit, and another issued at Bareilly. It is the Bareilly licence that was relied upon by respondent No.2 (the owner) at the time of employing respondent No.1.

24. RW6 Arvinder Singh deposed that an application for verification had been moved before the RTO/Licensing Authority, Bareilly, on the owner's behalf, and that the verification report (Ex.R29) was duly endorsed by that authority as genuine. Respondent No.2 additionally deposed to having got respondent No.1's driving competence tested, with the assistance of another driver, before engaging him.

25. Significantly, respondent No.3 did not lead any verification report to show that the Bareilly licence, the one actually relied upon for employment, was itself forged. Its case rested on the separate, Pilibhit licence. Nor was any material extracted in the cross-examination of respondent No.2, or of RW6 to suggest that the owner had knowledge, at the time of employment or thereafter, that respondent No.1 held two licences, or that the licence produced to him was not genuine.

26. The law on this defence is well settled. Under Section 149(2) of the Motor Vehicles Act, 1988, the mere fact that a driver's licence is later found to be fake or invalid does not, by itself, entitle the insurer either to disclaim liability towards third parties or to a right of recovery against the insured.

27. The Hon'ble Supreme Court, in ***National Insurance Co. Ltd. v. Swaran Singh, (2004) 3 SCC 297,*** following ***United India Insurance Co. Ltd. v. Lehru, (2003) 3 SCC 338,*** and consistently applied since then, including in ***PEPSU Road Transport Corporation v. National Insurance Co. Ltd., 2013 (10) SCC 217***, has held that the insurer must further establish that the breach of the policy condition was attributable to the insured himself. This would require proof either that the owner had actual knowledge that the driving licence was fake, or that he failed to exercise the degree of reasonable care

2026:PHHC:136865

expected of an ordinarily prudent owner before entrusting the vehicle to the driver. The owner is not required to undertake an investigation into the genuineness of the driving licence with the same degree of scrutiny as would be undertaken by the licensing authority. Ordinarily, obtaining bona fide verification from the concerned licensing authority, coupled with a test of the driver's competence, would satisfy the owner's obligation to exercise reasonable care. Once such diligence is shown, the onus shifts to the insurer to establish wilful default, conscious disregard of the policy condition, or collusion on the part of the owner.

28. Applying the aforesaid test, respondent No.2 discharged the initial burden by demonstrating that reasonable care had been exercised before entrusting the vehicle to the driver. The record contains a verification report obtained from the licensing authority itself, as well as evidence of an independent competency test. Respondent No.3, thereafter, failed to discharge the onus that had shifted to it to establish that respondent No.2 had either knowingly or negligently entrusted the vehicle to a person who was not duly licensed.

29. The authorities relied upon by respondent No.3 rendered in ***Kusum Dod v. Balveer Singh, 2011 ACJ 2188 (HP); New India Assurance Co. Ltd. v. Prabhu Lal, 2008(1) CLT 385 (SC); Sardari v. Sushil Kumar, 2008 ACJ 1307 (SC); United India Insurance Co. Ltd. v. Rakesh Kumar Arora, 2008 ACJ 2855 (SC);*** and ***Jai Parkash Goyal v. United India Insurance Co. Ltd., 2010(3) CLT 580 (NCDRC),*** do not assist it, as none of them dealt with a case, where the owner had taken bona fide steps of verification of the kind proved here.

30. Point No.(ii) is accordingly answered against the insurer-appellant, affirming the finding of the Tribunal that respondent No.3 has failed to establish the statutory defence under Section 149(2) of the Act, and is not entitled either to be absolved of liability, or to a right of recovery against respondents No.1 and 2. It shall remain liable to satisfy the awards.

POINT NO. (iii): QUANTUM OF COMPENSATION

31. Both sets of appeals i.e., the insurer's, seeking reduction, and the claimants', seeking enhancement, place the quantum of compensation at large before this Court in each of the four claim petitions. *"Just compensation"* under Section 168 of the Motor Vehicles Act, 1988 must now be assessed applying the structured methodology laid down by the Constitution Bench of Hon'ble Supreme Court in ***National Insurance Co. Ltd. v. Pranay Sethi, (2017) 16 SCC 680***, and ***Sarla Verma v. Delhi Transport Corporation, (2009) 6 SCC 121***.

32. *Future prospects:* As per legal position explained in ***Pranay Sethi (supra)*** an addition to the established income of the deceased is mandatory. Where the deceased held a permanent, pensionable post, the addition is 50% (below 40 years), 30% (40–50 years) and 15% (50–60 years) of the established income; where self-employed or on a fixed salary, the addition is 40% (below 40 years), 25% (40–50 years) and 10% (50–60 years).

33. *Deduction* towards personal and living expenses is to 1/3rd, where the deceased leaves behind 2 to 3 dependants, 1/4th for 4 to 6 dependants, and 1/5th for more than 6 dependants.

34. *Multiplier* is to be applied strictly by reference to the age of the deceased as per ***Sarla Verma (supra)***.

35. *Conventional heads:* loss of estate, loss of consortium, and funeral expenses are standardised in Pranay Sethi at ₹15,000/-, ₹40,000/- and ₹15,000/- respectively, with consortium payable not merely to a spouse but also, "parental" and "filial" consortium to a surviving parent and to surviving minor children respectively, as per ***Magma General Insurance Co. Ltd. v. Nanu Ram, (2018) 18 SCC 130.***

36. Keeping the above principles in view, the compensation awarded by the Tribunal in all four claim petitions is to be re-assessed in accordance with the settled law. The calculation made by the Tribunal shows that it had under-assessed, rather than over-assessed, the compensation, mainly due to

denial of future prospects, application of an incorrect or reduced multiplier, and certain ad hoc deductions.

37. The insurer's contention that the awards are excessive is, therefore, rejected in all four cases.

(Death of Dr. Rachna Batra — MACT No. 12 of 2009/2012 (claimants' appeal for enhancement)

38. Dr. Rachna Batra, aged 39 years and 7 months at the time of the accident, was a doctor employed in Australia. She is survived by her husband and two minor daughters, then aged about 9 and 4 years (3 claimants).

39. The Tribunal fell into certain errors while assessing compensation in the case of Dr. Rachna Batra. It applied a multiplier of 7 instead of 15 applicable to the deceased aged 39 years; deducted three-fourths of the income towards personal and living expenses despite there being three dependants; and declined any addition towards future prospects. The assessment of income also requires reconsideration in the light of the income record brought on record by the claimants.

40. On perusal of the income records, it is revealed that Ex.C9/S records income of AUD 88,606/- for the complete period from 01.07.2007 to 30.06.2008, after withholding tax. Ex.C9/T and Ex.C9/U record income of AUD 72,383/- for the succeeding complete period from 01.07.2008 to 30.06.2009, again after withholding tax. Ex.C9/W, on the other hand, records income of AUD 8,299/- for the period from 01.07.2009 to 30.06.2010. However, this income cannot for the period after 24.08.2009, because Dr. Rachna Batra had died on 25.08.2009.

41. The figure reflected in Ex.C9/W cannot, in the circumstances, be treated as the monthly income of the deceased, nor can it safely be annualised. There is no material on record to establish when Dr. Rachna Batra came to India; whether the period covered by Ex.C9/W represented a

complete period of employment; whether she was on leave or otherwise away from employment; or the precise circumstances accounting for the substantially lower amount reflected therein. In the absence of such material, any attempt to extrapolate the amount of AUD 8,299/- to determine her monthly or annual earning capacity would involve an element of speculation. Ex.C9/W is, therefore, not taken as the basis for determining the established annual income.

42. The two immediately preceding complete annual income records, namely Ex.C9/S and Ex.C9/T & U, furnish a more reliable basis for assessing the established income of the deceased. The average of the two annual incomes comes to AUD 80,494.50 per annum. Both figures are stated to be after withholding tax and, therefore, no further deduction towards income tax is warranted. The established annual income of the deceased is accordingly taken at AUD 80,494.50.

43. A separate issue arises regarding the manner in which income earned in foreign currency is to be treated for the purpose of computing compensation. In ***Tharunoju Eshwaramma v. K. Ram Reddy, by order dated 07.10.2025 in SLP(C) No.8656 of 2023***, the Hon'ble Supreme Court referred to a Larger Bench the question of the appropriate method for assessing compensation where the deceased was employed abroad, including the questions concerning moderation of foreign income and what has been described as "double deduction". The reference remains pending.

44. This Court, therefore, does not propose to express any final opinion on those questions in the present proceedings. For the present case, the established income, after withholding tax, is taken as aforesaid, converted into Indian currency at the exchange rate prevailing on the date of the accident, and the settled principles governing future prospects, personal and living expenses and multiplier are thereafter applied.

45. Dr. Rachna Batra was aged about 39 years and left behind her husband and two minor daughters. She was in employment and was below

40 years of age. An addition of 40% towards future prospects is, therefore, warranted. Since she left behind three dependants, deduction of one-third towards personal and living expenses is appropriate. The multiplier applicable to the age of 39 years is 15. The compensation is accordingly re-computed as under:

Particulars	Amount
• Last-drawn monthly income, after withholding Tax	AUD 80,494.50
• Add: Future prospects @ 40%	AUD 32,197.80
• Income including future prospects	AUD 1,12,692.30
• Less: 1/3rd towards personal and living expenses	AUD 37,564.10
• Annual loss of dependency	AUD 75,128.20
• Multiplier applicable at age 39 years	15
• Loss of dependency	AUD 11,26,923
• Conversion @ ₹40.78 per AUD	₹ 4,59,55,920
• Loss of estate	₹15,000
• Funeral expenses	₹15,000
• Loss of spousal consortium	₹40,000
• Loss of parental consortium for claimants No.2 and 3	₹80,000
Total compensation	**₹4,61,05,920**

Accordingly, the compensation payable in MACT No.12 of 2009/2012 is enhanced from ₹56,00,000/- to ₹4,61,05,920/-. The enhanced amount of ₹ 4,05,05,920/- shall carry interest at the rate of 7.5% per annum from the date of filing of the claim petition till realisation, subject to the liberty reserved in favour of the insurer in respect of the issue concerning treatment of foreign income. The enhanced compensation shall be apportioned amongst the claimants in the same proportion as directed by the Tribunal

Death of Suniel Gupta — MACT No. 18 of 2010/2012 (claimants' appeal for enhancement)

46. Suniel Gupta, aged 38 years at the time of the accident, was a Director of M/s Hygeiacare Comprehensive Health Management Services Pvt. Ltd. and was drawing ₹40,000/- per month. He was survived by his widow and a minor son (aged 6 years), i.e. two dependants.

47. The Tribunal assessed his monthly income at ₹40,000/- and deducted income-tax at 30%. It thereafter made a further ad hoc deduction of half of the monthly housing-lease instalment, followed by a deduction of one-third towards personal expenses. It also declined future prospects on the speculative ground that the private company might freeze promotions during a recession. The Tribunal subsequently enhanced the award to ₹27,55,000/- vide order dated 24.02.2015.

48. Both these departures from the standardised method require correction. There is no warrant for deducting a proportionate share of a housing loan or lease instalment over and above the standard deduction towards personal and living expenses. Such deduction has no basis in the principles laid down in ***Sarla Verma*** and ***Pranay Sethi***. Likewise, future prospects cannot be denied on the basis of a speculative assessment of the employer's future promotion policy or the possibility of recession.

49. The deceased was below 40 years of age and was drawing a fixed salary in the private sector. He was, therefore, entitled to an addition of 40% towards future prospects.

50. Accordingly, *Re-computation* is as under

Particulars	**Amount**
• Established monthly income	₹40,000
• Less: Income-tax @ 30%	₹12,000
• Net monthly income	₹28,000
• Annual income	₹3,36,000

• Add: Future prospects @ 40%	₹1,34,400
• Income including future prospects	₹4,70,400
• Less: 1/3rd towards personal and living expenses	₹1,56,800
• Annual loss of dependency	₹3,13,600
• Multiplier applicable at age 38 years	15
• Loss of dependency	₹47,04,000
• Loss of estate	₹15,000
• Funeral expenses	₹15,000
• Loss of spousal consortium	₹40,000
• Loss of parental consortium for claimants No.2	₹40,000
Total compensation	**₹48,14,000**

51. The compensation is accordingly enhanced to ₹48,14,000/-, superseding both the original award of ₹16,00,000/- and the subsequent enhancement made by the Tribunal to ₹27,55,000/-.

52. The enhanced amount of ₹20,59,000/- shall carry interest at 7.5 % per annum from the date of filing of the claim petition till realisation and shall be apportioned between the claimants in the same proportion as directed by the Tribunal.

Death of Anil Gupta — MACT No. 15 of 2010/2012 (claimants' appeal for enhancement)

53. Anil Gupta, aged 35 years, was a commissioned officer of the Indian Air Force, functionally equivalent to Wing Commander, and was drawing a net take-home salary of ₹40,000/- per month, as proved through Ex.CW5/A. He was survived by his widow and a minor son, i.e. two dependants.

54. The Tribunal correctly applied the multiplier of 16 applicable to the age group of 31–35 years. However, it declined any addition towards

future prospects on the ground that the deceased was not due for empanelment to the next rank until 2016 and that his further promotion could not be commented upon.

55. The said approach cannot be sustained. The question of future prospects is not to be determined on the basis of an individualized assessment of the likelihood of promotion. The deceased was a commissioned officer in permanent and pensionable Government service and, being below 40 years of age, was entitled to an addition of 50% towards future prospects.

56. Accordingly, *Re-computation* is as under

Particulars	**Amount**
• Established carry home net monthly income	₹40,000
• Annual income	₹4,80,000
• Add: Future prospects @ 50%	₹2,40,000
• Income including future prospects	₹7,20,000
• Less: 1/3rd towards personal and living expenses	₹2,40,000
• Annual loss of dependency	₹4,80,000
• Multiplier applicable at age 35 years	16
• Loss of dependency	₹76,80,000
• Loss of estate	₹15,000
• Funeral expenses	₹15,000
• Loss of spousal consortium	₹40,000
• Loss of parental consortium for claimants No.2	₹40,000
Total compensation	**₹77,90,000**

57. The compensation is accordingly enhanced to ₹77,90,000/-, superseding award of ₹50,12,000/- of the Tribunal.

58. The enhanced amount of ₹27,78,000/- shall carry interest at 7.5 % per annum from the date of filing of the claim petition till realisation and shall be apportioned between the claimants in the same proportion as directed by the Tribunal.

59. It is clarified that respondent No.4, being the insurer of the car, was rightly not impleaded/fastened with liability in this claim, the deceased himself having been driving the vehicle and no negligence having been found against him.

Death of Parveen Gupta — MACT No. 14 of 2009/2012 (claimants' appeal for enhancement)

60. Parveen Gupta, aged 33 years, was employed as an Area Business Manager with M/s Piramal Healthcare Ltd. The Tribunal assessed his income at ₹9,000/- per month, which was mainly based upon the basic salary reflected in Ex.CW3/A and Ex.CW3/B. The Tribunal noticed that the basic salary had progressively increased and had reached ₹9,088/- per month immediately prior to the accident. It, however, excluded the other amounts appearing in the salary cards on the ground that they represented reimbursements towards expenditure incurred by the deceased.

61. The salary cards require the matter to be examined somewhat differently. Ex.CW3/B, covering the period from 01.04.2009 to 31.03.2010, shows that from July 2009. the deceased was drawing a basic salary of ₹9,088/- per month. In addition thereto, the salary card records House Rent Allowance of ₹4,544/-, Transport Allowance of ₹400/-, Education Allowance of ₹400/- and Medical Allowance of ₹1,250/- per month. These are recurring monthly components of the remuneration. The card separately records Medical Reimbursement and Expense Reimbursement, besides various arrears, encashment and other one-time adjustments.

62. In assessing loss of dependency, the income of the deceased cannot be confined to the basic salary merely because the remaining components are described as allowances. What is relevant is the actual

remuneration regularly available to the deceased and capable of contributing to the maintenance of the family. At the same time, amounts which are in the nature of reimbursement of expenses actually incurred, or one-time arrears and similar non-recurring payments, cannot be treated as regular income. On this basis, the medical and expense reimbursements, arrears, leave encashment and other exceptional adjustments appearing in the salary card are liable to be excluded. The recurring components of HRA, transport allowance, education allowance and special allowance, however, form part of the regular monthly remuneration.

63. Accordingly, the monthly income of the deceased immediately prior to the accident is assessed as under:

Component	Amount
• Basic Salary	₹9,088/-
• House Rent Allowance	₹4,544/-
• Transport Allowance	₹400/-
• Education Allowance	₹400/-
• Special Allowance	₹1,250/-
Total	**₹15,682/-**

Thus, the monthly income for the purpose of computation of loss of dependency is taken at ₹15,682/-.

64. The deceased was about 33 years of age. The Tribunal applied multiplier of 16, which calls for no interference. The deduction of one-third towards personal and living expenses is also appropriate, the deceased having left behind his widow and one minor daughter.

65. The Tribunal, however, declined to grant any addition towards future prospects on the reasoning that the deceased was employed in a private company and there could be possibilities of recession, withholding of promotion or even retrenchment. Such considerations cannot constitute a basis for denying future prospects in a case, where the deceased was in

regular employment and the salary record itself establishes a progressive increase in his remuneration. The assessment of future prospects has to be made on the basis of the principles governing motor accident compensation and not on conjecture regarding possible future contingencies.

66. The deceased being 33 years of age, an addition of 40% towards future prospects is accordingly warranted. His monthly income after such addition comes to ₹21,954.80, say ₹21,955/-. After deduction of one-third towards personal and living expenses, the monthly contribution to the family comes to approximately ₹14,636.67, and the annual loss of dependency works out to approximately ₹1,75,640/-. Applying the multiplier of 16, the loss of dependency is accordingly assessed at ₹28,10,240/-.

67. The claimants are also entitled to compensation under the conventional heads in accordance with the applicable principles. The widow is entitled to spousal consortium and the minor daughter to parental consortium. Compensation towards loss of estate and funeral expenses is also payable.

68. Consequently, the compensation awarded by the Tribunal at ₹11,72,000/- is liable to be enhanced. On the aforesaid basis, the compensation payable to the claimants is reassessed as follows:

Head	Amount
• Loss of dependency	₹28,10,240/-
• Loss of estate	₹15,000/-
• Funeral expenses	₹15,000/-
• Spousal consortium	₹40,000/-
• Parental consortium to minor daughter	₹40,000/-
Total	**₹29,20,240/-**

69. The claimants shall, therefore, be entitled to ₹29,20,240/-, instead of ₹11,72,000/- awarded by the Tribunal. The enhanced amount of ₹17,48,240/- shall carry interest at 7.5 % per annum from the date of filing of

2026:PHHC:136865

the claim petition till realisation and shall be apportioned between the claimants in the same proportion as directed by the Tribunal.

CONCLUSION

70. In view of the findings recorded above on Points No. (i), (ii) and (iii), the connected appeals are disposed of in the following terms:

(a) **FAO Nos. 3573, 3574, 3575 and 3576 of 2013**, filed by United India Insurance Company Limited, are dismissed. The findings of the Tribunal that the accident occurred solely on account of the negligence of respondent No.1 in parking the truck-trailer and that respondent No.3 failed to establish the defence under Section 149(2) of the Motor Vehicles Act, 1988, are affirmed. Respondent No.3 shall accordingly remain liable to satisfy the enhanced awards, by way of indemnity to respondents No.1 and 2, without any right of recovery against them.

(b) **FAO No. 4449 of 2013**, arising out of MACT No. 12 of 2009/2012 concerning the death of Dr. Rachna Batra, is allowed. The compensation is enhanced from ₹56,00,000/- to ₹4,61,05,920/-, together with interest at the rate of 7.5% per annum from the date of filing of the claim petition till realisation, subject to the liberty reserved in clause (g) below.

(c) The connected appeal **FAO No. 4447 of 2013** arising out of MACT No. 18 of 2010/2012, concerning the death of Suniel Gupta, is allowed. The compensation is enhanced to ₹48,14,000/-, together with interest at 7.5% per annum from the date of filing of the claim petition till realisation, superseding the Tribunal's subsequent enhancement dated 24.02.2015.

(d) The connected appeal **FAO No. 4765 of 2014** arising out of MACT No. 15 of 2010/2012, concerning the death of Anil Gupta, is allowed. The compensation is enhanced from ₹50,12,000/- to ₹77,90,000/-, together with interest at 7.5% per annum from the date of filing of the claim petition till realisation.

(e) The connected appeal **FAO No. 4448 of 2013** arising out of MACT No. 14 of 2009/2012, concerning the death of Parveen Gupta, is allowed. The compensation is enhanced from ₹11,72,000/- to ₹29,20,240/-, together with interest at 7.5 % per annum from the date of filing of the claim petition till realisation.

(f) In each case, the enhanced amount, after adjustment of the amount already deposited or disbursed pursuant to the awards under appeal, shall be deposited by respondent No.3 with the concerned Tribunal within two months from the date of receipt of a certified copy of this order. The amount shall thereafter be released to the claimants in accordance with the directions contained in the respective awards, including deposit of the shares of minor claimants in long-term FDRs until they attain majority, with liberty to the guardian to withdraw the interest accruing thereon for their maintenance and education, subject to the indemnity bonds already directed.

(g) In respect of MACT No. 12 of 2009/2012 alone, liberty is reserved to respondent No.3-insurer to seek appropriate modification of the compensation, but only to the extent that the quantum is affected by the treatment of income earned abroad, in the event the larger Bench of the Hon'ble Supreme Court in ***Tharunoju Eshwaramma v. K. Ram Reddy, SLP(C) No.8656 of 2023***, answers the reference in a manner requiring a different method of computation. Any such application shall be filed within three months from the date of pronouncement of the decision of the larger Bench.

(h) The parties shall bear their own costs throughout.

71. Pending miscellaneous application(s), if any, stand disposed of. Photocopy of this order be placed on the connected case files.

September 22, 2026 **(DEEPAK GUPTA)**
Sarita **JUDGE**

Whether speaking/reasoned? Yes/No Whether reportable? Yes/No
Uploaded on: September 23, 2026