

Adikanda Sethi (Dead) Through Lrs. and Another

Vs

Palani Swami Saran Transports and Another

Civil Appeal No. 3567 of 1997

(K. Ramaswamy, K. S. Paripoornan JJ)

08.05.1997

ORDER

1. Leave granted. We have heard learned counsel on both sides.
2. This appeal by special leave arises from the judgment of the High Court of Orissa, made on 13-9-1993 in Miscellaneous Appeal No. 384 of 1990.
3. Ballav Kumar Sethi, a young man of 24 years was fatally knocked down by an oil tanker bearing Registration No. TCV 667. The applicant claimed a sum of Rs. 1 lakh towards the loss of the estate of the deceased and the support to the appellant as dependant of the deceased. The claim under Section 110-A of the Motor Vehicles Act, 1939 was laid on 30-4-1983. The Tribunal delivered the judgment awarding a sum of Rs. 1,00,000 to the appellant which was confirmed under appeal by the High Court enhancing the same by a further sum of Rs. 18,000.
4. The principle of determination of the compensation in the case of fatal accidents was determined by this Court in U.P. SRTC v. Trilok Chandra [(1996) 4 SCC 362]. This Court in para 18, after considering the tabulations, found that the maximum multiplier of purchaser was as under : (SCC p. 371).

"... What we propose to emphasise is that the multiplier cannot exceed 18 years' purchase factor. This is the improvement over the earlier position that ordinarily it should not exceed 16. We thought it necessary to state the correct legal position as courts and tribunals are using higher multiplier as in the present case where the Tribunal used the multiplier of 24 which the High Court raised to 34, thereby showing lack of awareness of the background of the multiplier system in Davies case [Davies v. Powell Duffryn Associated Collieries Ltd., (1942) 1 All ER 657 : 1942 AC 601]."
5. Thus, we have to conclude that the annual income of the deceased is Rs. 12,000 p.a. and he would have spent Rs. 7500 towards family members and 1/3 for himself; thereby the annual income is taken at Rs. 9000 per year and multiplier of 18 years which is the maximum in the case of the young person dying in an accident, has to be applied. The claimants would get Rs. 1.40 lakhs towards the compensation. Since the claim is limited to Rs. 1 lakhs, the claimants are entitled to get Rs. 1 lakh as compensation with interest at 6% p.a. from the date of the judgment of the High Court.
6. The appeal is accordingly allowed. No costs.