

SUPREME COURT OF INDIA

Jyoti Kaul

Vs.

State of M.P.

C.A.No.952 of 1995

(Ajay Prakash Misra and N. Santosh Hegde, JJ.)

08.02.2000

ORDER

1. The short question which arises for our consideration is whether the High Court is right in reducing the multiplier from 15 to 10 in computing the compensation payable to the claimants on the ground of death of one Mr. Anar Kishan Kaul? So far other points decided by the High Court neither we find any error in it nor serious contended which require any interference by us.

2. The brief facts are that the aforesaid Mr. Kaul was an Executive Engineer in the Department of Irrigation and was the husband of the appellant No. 1 and father of appellant Nos. 2 and 3, who died in a road accident while on Government Duty, travelling in an Official Government Vehicle. The Motor Accident Claims Tribunal awarded compensation to the claimants to the tune of Rs. 3,65,400/- by applying the multiplier of 15. The High Court reduced both the multiplier and the rate of interest. The multiplier is reduced from 15 to 10 and rate of interest from 15 to 12 per cent per annum.

3. The Tribunal records that on the date of death, the said Amar Kishan Kaul was of 50 years and

was in good health. Referring to his family history on longevity it further records, father expired at the age of 75 years, who also died in a road accident and his grandfather died at the age of 88 years. The mother of the deceased was still alive at the time of his death and her age then was 82 years. In view of the background the Tribunal records, had he not died he would have lived up to the age of 75 years. Taking into consideration his chances of promotion, his increments and what he would have received after retirement the computation was done, on these facts coupled with the decision in *Kusum Lata Trivedi v. State of M. P.*, 1992 ACC 686, the tribunal applied the multiplier of 15.

4. The High Court held in the just compensation under Section 110-B of the Motor Vehicles Act, 1939 or Section 168 of the Motor Vehicles Act, 1988 the multiplier method is logically sound and well-settled and other method should be applied only in exceptional cases. The reason for reducing the multiplier seems to be based on the fact that the deceased was likely to be superannated after 8 years and hence the multiplier was reduced from 15 to 10.

5. Heard learned Counsel for the parties. We find interference by the High Court on the above basis only is not based on sound reasoning. Tribunal has taken into consideration over all considerations. We find there are different judgments by this Court giving different multiplier. This would depend on the facts and circumstances of each case. The multiplier system is sound in computing compensation is now well settled but what multiplier should be applied would depend on various circumstances. The age of deceased, the age of dependants, not only existing salary when he died if any additional sum payable to the deceased depending upon the nature of job in which he was working, his chances of promotion, the life expectancy etc. Hence multiplier is bound to change to some degree.

6. In *General Manager Kerala State Road Transport Corporation, Trivandrum v. Susamma Thomas (Mrs.)*, (1994) 2 SCC 176 : (1994 AIR SCW 1326 : AIR 1994 SC 1631) this Court observed :

"It is necessary to reiterate that the multiplier method is logically sound and well-settled.... it must be borne in mind that the multiplier method is the accepted method of ensuring a just compensation which will make for uniformity and certainty of the award."

7. It refers to the principle of computing compensation by the English courts under the multiplier granted never exceeded 16. This is a case in which multiplier of 12 was applied.

8. In *S. Chandra v. Pallavan Transport Corporation* (1994) 2 SCC 189, this Court observed :

"...it cannot be disputed that the life expectancy in India even in the year 1979 was not less than 65 years. We, therefore, hold that the appellant will be entitled to the multiplier of 20."

9. Similarly in the case of Sneha Dutta (Smt.) v. Himachal Road Transport Corporation (1999) 5 SCC 169 : (1999 AIR SCW 4296 : AIR 2000 SC 201) this Court recorded :

"...multiplier 12 to be just and proper."

10. The aforesaid decision makes it clear that the principle of multiplier would depend on the facts and circumstances of each case. Looking to the facts of this case we find that the tribunal has given good reasons for applying the multiplier of 15. This was in addition of taking into consideration that the predecessor of the deceased all lived for more than 80 years. High Court reduced the multiplier from 15 to 10 without taking into circumstances considered by the Tribunal and thus committed the error. We, accordingly, set aside the findings of the High Court only to the extent the application of multiplier and uphold other findings including reduction of interest. The present appeal, accordingly, succeeds in part. The computation of compensation now shall be made on the basis of multiplier of 15. The difference enhanced amount which has yet not been paid by the respondent State shall be paid to the claimants within a period of three months from today.

11. The appeal is, accordingly, allowed in parts. There shall be no order as to the costs.

Appeal partly allowed.