

[2022 LiveLaw \(SC\) 828](#)

IN THE SUPREME COURT OF INDIA
CIVIL APPELLATE JURISDICTION
S. RAVINDRA BHAT; J., SUDHANSHU DHULIA; J.
SEPTEMBER 29, 2022

CIVIL APPEAL NOS. 7025-7026 OF 2022 [@ SPECIAL LEAVE PETITION (C) NOS. 20035-20036 OF 2019]
GIASI RAM AND ANR. versus ICICI LOMBARD GENERAL INSURANCE CO. LTD. & ORS.

Motor Vehicles Act 1988 - Motor Accident Compensation - the age of the deceased and not the age of the dependents in case of the death of a bachelor is to be the basis for multiplier.

(Arising out of impugned final judgment and order dated 25-08-2017 in MACA No. 546/2015 and MACA No. 1148/2014 passed by the High Court of Delhi at New Delhi)

For Appellant(s) Mr. Saurav Arora, Adv. Mr. Akshay Verma, AOR

For Respondent(s) Mr. Sandeep Jha, Adv. Mr. Ram Ekbal Roy, Adv. Ms. Neha Das, Adv. Ms. Shaloni Sharan, Adv. Mr. Binay Kumar Das, AOR

ORDER

Heard learned counsel for the parties at length.

Leave granted.

The short question, on which the present appeal has been preferred, is that the High Court, vide its impugned Judgment dated 25.08.2017, reduced the compensation payable to the appellant(s) – claimants whose son had suffered fatal injuries and passed away on account of a motorcycle accident.

The Tribunal, in the first instance, had rejected the claim that the deceased was earning ₹10,000/- per month and had arrived at the figure of ₹3,683/- per month, on the basis of which, compensation was directed, after holding that the appropriate multiplier was 18.

Aggrieved, the Insurer approached the High Court, which in its impugned Judgment, reduced the multiplier to 9 having regard to the age of the surviving mother, who was the deceased's dependent. This has been taken exception to by the appellants.

In addition, it has been urged that the High Court overlooked the five-Judge Bench decision of this Court in **National Insurance Company Ltd. Vs. Pranay Sethi & Ors.** reported in **(2017) 16 SCC 680**, in terms of which, the claimants were also entitled to enhanced future prospects while calculating the quantum of compensation.

Having heard learned counsel for the parties, this Court is of the opinion that on the issue of multiplier, the approach of the High Court was incorrect; it cannot be sustained, having regard to the three-Judge Bench decision of this Court in **M/s Royal Sundaram Alliance Insurance Company Ltd. Vs. Mandala Yadagari Gour & Ors.** in **(2019) 5 SCC 554**, wherein it was observed as under :-

“16. In view of the Judgment delivered today in Civil Appeal No. 6600 of 2015 titled as “Royal Sundaram Alliance Insurance Co. Ltd. Vs. Mandala Yadagari Gour, opining that it is the age of the deceased and not such of the dependents in case of the death of a bachelor which is to be the basis for the multiplier, this appeal is also liable to be dismissed as this is the only plea urged. Pending application, if any, stands disposed of.

17. *In view of the Judgment delivered today in Civil Appeal No. 6600 of 2015 titled as Royal Sundaram Alliance Co. Ltd. V. Mandala Yadagari Goud, the multiplier in the present case will be 16, and not as per the impugned order, based on the age of the deceased..... X X X X X”*

As a consequence, the impugned order of the High Court to the extent it reduced the multiplier, is hereby set aside. The order of the Tribunal is, consequently, restored on this score.

On the second aspect, the High Court again fell into an error in denying enhancement of compensation on account of future prospects. The Judgment is **Pranay Sethi (Supra)** is clear on this aspect; since the appellant was working in the informal sector, the appropriate standard would be 40% of the compensation determined. Consequently, it is hereby directed that the additional compensation on account of future prospects would be worked at 40% of the basic amount i.e. ₹4,107/- per month.

In view of the forgoing discussion, the impugned order passed by the High Court is set aside. The order of the Tribunal is hereby restored as far as the multiplier is concerned; it shall be 18. So far as the question of additional quantum on account of future prospects is concerned, the appellant shall be entitled to 40% on that score, on the basic amount of ₹4,107/- per month. The other directions of payment of interest etc. are left undisturbed and in accordance with the order of the Tribunal. The appeals are allowed in terms thereof.

There shall be no order as to costs.

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