

THE HON'BLE DR.JUSTICE SHAMEEM AKTHER

M.A.C.M.A.No.2853 OF 2005

JUDGMENT:

This appeal, under Section 173 of the Motor Vehicles Act, 1988, is filed by the appellants/claimants aggrieved by the grant of compensation of Rs.4,95,000/- with proportionate costs and interest at the rate of 9% per annum from the date of petition till the date of realization as against a claim of Rs.10,00,000/- by the learned Chairman, I Additional Motor Accident Claims Tribunal, Nellore (for short, "the Tribunal") *vide* order, dated 19.04.2005, passed in O.P.No.602 of 2000.

2. Though this matter is posted under the caption "For Orders", there is no representation for the appellants. Heard the learned Standing Counsel for the New India Assurance Company Limited appearing for respondent No.2 and perused the material on record.

3. Learned Standing Counsel for the New India Assurance Company Limited appearing for respondent No.2 would contend that the deceased Attipalli Narahara Reddy was an agriculturist aged 30 years and the Tribunal took the annual contribution of the deceased to the dependants as Rs.26,000/-, applied multiplier "18" for the age of "30" and assessed an amount of Rs.4,68,000/- towards loss of dependency. The Tribunal also granted compensation of Rs.15,000/- under the head of "loss of estate" comprising of loss of expectation of life, pain and suffering & loss of amenities, Rs.10,000/- to claimant No.1 towards consortium and Rs.2,000/- towards funeral expenses and in all, granted compensation of Rs.4,95,000/- with proportionate costs and interest at the rate of 9% per annum from the date of petition till

the date of realization as against a claim of Rs.10,00,000/-, which is just and reasonable; that there are no circumstances to enhance the compensation and ultimately, prayed to dismiss the appeal.

4. In view of the submissions made by the learned Standing Counsel for the New India Assurance Company Limited appearing for respondent No.2, the short point that falls for determination is:

“Whether the appellants/claimants are entitled for enhancement of compensation as prayed?”

5. **POINT:-**

There is no dispute with regard to the death of the deceased Attipalli Narahara Reddy in a motor vehicle accident occurred on 13.01.1998 due to the rash and negligent driving of the driver of Tipper bearing registration No.AEC 1619. The only dispute is with regard to enhancement of compensation.

6. This appeal is filed by the claimants contending that the compensation granted is meagre and the Tribunal ought to have considered the evidence of P.W.4 that the deceased Attipalli Narahara Reddy was a partner in Sri Balaji Wines and granted Rs.10,00,000/- as claimed.

7. As per the evidence on record, the deceased Attipalli Narahara Reddy was 30 years old and there are documents to show that he had agricultural lands, but no certificate is filed to substantiate that he was earning Rs.8,000/- per month towards salary as Managing Partner of Sri Balaji Wines. The Tribunal took annual contribution of the deceased Attipalli Narahara Reddy to the claimants as Rs.26,000/- and applied multiplier “18” for the

age of “30”. As per **Sarla Verma v. Delhi Transport Corporation**¹’s case, the suitable multiplier for the age of “30” is “17”. The Tribunal granted interest at the rate of 9% per annum. As per the decision of the Apex Court in **Dharampal Vs. State Road Transport Corporation**², the Apex Court awarded interest at the rate of 7.5% per annum on the amount awarded as compensation. Therefore, the interest payable on compensation awarded is only 7.5% per annum as per the settled principles, but the Tribunal granted interest at the rate of 9% per annum. The Tribunal had also taken multiplier “18” instead of “17” applicable to the age of the deceased. Taking these two counts, the Tribunal granted excess compensation. The Tribunal granted lesser compensation towards loss of consortium and funeral expenses. When the Tribunal had granted more rate of interest and applied a higher multiplier for computing the compensation for loss of dependency, it is not appropriate to enhance the compensation towards loss of consortium and funeral expenses. Overall, granting compensation of Rs.4,95,000/- with interest at the rate of 9% per annum is justified in the circumstances of the present case. The appeal is devoid of merit and is liable to be dismissed.

8. Accordingly, the appeal is dismissed. There shall be no order as to costs.

9. Miscellaneous petitions pending, if any, in this appeal shall stand closed.

DR.JUSTICE SHAMEEM AKTHER

Date : 04.10.2018
AMD

¹ AIR 2009 SC 3104

² MANU SC 7680 2008

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