

(1994) 02 AP CK 0005
In the Andhra Pradesh High Court
Case No : A.A.O. No. 1596 of 1989

Oriental Insurance Co. Ltd.

APPELLANT

Vs

Molloti Parvathi and Others

RESPONDENT

Date of Decision : 25-02-1994

Acts Referred:

Citation : (1995) ACJ 827

Hon'ble Judges : G. Radhakrishna Rao, J

Bench : Single Bench

Advocate : Kota Subba Rao, for the Appellant; Kesava Rao, K. Venkateswarlu and P. Madhusudan Kumar, for the Respondent

Judgement

G. Radhakrishna Rao, J.—Having been aggrieved by the order and decree dated 16.6.1989, passed in O.P. No. 319 of 1988 on the file of the Motor Accidents Claims Tribunal, Visakhapatnam, awarding a total compensation of Rs. 1,50,000/- for the death of one Molloti Sooribabu, the husband of the first petitioner and the father of petitioner Nos. 2 and 3, in a motor accident that occurred on 18.4.1988 underneath Vijayaramarajupeta Railway over-bridge on the road leading to Chodavaram from Anakapalli, the insurance company has preferred this appeal.

2. Mr. K. Subba Rao, learned counsel appearing on behalf of the insurance company, has contended that the compensation awarded by the Tribunal is on the high side and though the maximum liability of the insurance company is Rs. 1,50,000/- the Tribunal has granted the entire amount of Rs. 1,50,000/-.

3. The deceased is stated to be aged 30 years at the time of his death. His earning capacity was estimated at Rs. 500/- per month, that is, Rs. 6,000/- per year and applying a multiplier of 30, the Tribunal arrived at the figure Rs. 1,80,000/-. But in view of the uncertainties in life 20 per cent of the said amount was deducted and arrived at the amount Rs. 1,44,000/- and towards loss of love and affection and loss of consortium an amount of Rs. 6,000/- was awarded. As the death was instantaneous and also taking into account, the circumstances of

this particular case, I feel that petitioner Nos. 1 to 3 are entitled to Rs. 10,000/- under the two heads as claimed by them. The method of deducting 20 per cent from the amount arrived at by the Tribunal after applying multiplier of 30 is not correct. The Tribunal has not applied correct multiplier. In General Manager, Kerala State Road Transport Corporation, Trivandrum Vs. Mrs. Susamma Thomas and others, , the Supreme Court has laid down certain guidelines with regard to applying multiplier. According to the guidelines given by the Supreme Court, the appropriate multiplier that can be applied in this case is 16 but not 30. The Tribunal estimated the loss of dependency at Rs. 500/- per month. The deceased is stated to be the owner of a shop. Considering the nature of business the deceased was doing, I think that the loss of dependency can be enhanced to Rs. 600/- per month and the annual dependency would be Rs. 7,200/-. If we apply a multiplier of 16, the amount would come to Rs. 1,15,200/-, which can be rounded off to Rs. 1,15,000/-. The first petitioner is the wife of the deceased and petitioner Nos. 2 and 3 are their minor children. So an amount of Rs. 10,000/-, as already stated above, can be granted towards loss of consortium and also loss of love and affection. Thus, the total amount that can be awarded comes to Rs. 1,25,000/-. So the amount granted by the Tribunal is reduced to Rs. 1,25,000/-. Out of this amount the fourth petitioner, mother of the deceased, is entitled to Rs. 25,000/-. The first petitioner, wife, is entitled to Rs. 50,000/- and each of the two minor children, viz., petitioner Nos. 2 and 3, is entitled to Rs. 25,000/-. The above amount of compensation shall carry interest at the rate of 12 per cent per annum from the date of filing of the petition till the date of payment. The minors' share of compensation shall be invested in a bank as per the directions of the Tribunal.

4. The C.M.A. is accordingly allowed in part. No costs.