

IN THE SUPREME COURT OF INDIA

CIVIL APPELLATE JURISDICTION

CIVIL APPEAL NO. 7032 OF 2019

(ARISING OUT OF SPECIAL LEAVE PETITION (CIVIL) NO. 33338 OF 2017)

NATIONAL INSURANCE COMPANY LIMITED APPELLANT(S)

VERSUS

SATISH KUMAR VERMA AND ANOTHER RESPONDENT(S)

J U D G M E N T

SANJIV KHANNA, J

Leave granted.

2. We have heard counsel for the appellant – National Insurance Company Limited, but there is no appearance despite service on behalf of Satish Kumar Verma and Indira Verma (respondent Nos. 1 and 2), father and mother of the deceased Amol Verma.
3. We do not see any justification and ground to interfere with the findings recorded by the High Court of Uttarakhand in adding fellowship of Rs.12,000/- per month to the salary of Rs.3,000/- per month for computing the loss of dependency. The Motor

Accidents Claims Tribunal had clearly erred in excluding the fellowship component notwithstanding the Annual Income Certificate issued by the Indian Institute of Technology (IIT), Roorkee, affirming that the deceased was being paid consolidated fellowship as Fellow-'A' (Hydro Power). Notably, late Amol Verma was having an M.Tech degree and was working in one of the most prestigious engineering institutes in the country. Given this background, salary of Rs.3,000/- per month would be ridiculously low. Entire compensation package has to be taken into account. Thus, the High Court was right in computing annual income of the deceased at Rs.3,00,000/- per annum by giving benefit of future prospects. The High Court has also rightly applied the multiplier of seventeen in view of the decision of this Court in ***M/s. Royal Sundaram Alliance Insurance Co. Ltd. v. Mandala Yadagiri Goud and Others***¹.

4. However, we agree with the counsel for the appellant that the deceased being a bachelor, 50% deduction should have been made towards personal and other living expenses to compute the dependency of parents, i.e. respondent Nos. 1 and 2. In normal course, the deceased would have got married and had children. Deduction of 1/3rd annual income towards personal expenses in the present case is not appropriate and would not be in

¹ Civil Appeal No. 6600 of 2015 decided on 9th April 2019.
Civil Appeal arising out of SLP (C) No. 33338 of 2017

consonance with the Constitution Bench judgment in ***National Insurance Company Limited v. Pranay Sethi and Another***², which affirms the view in ***Sarla Verma and Others v. Delhi Transport Corporation and Another***³. Accordingly, the compensation payable towards dependency to the first and second respondents would get reduced from Rs.34,00,000/- to Rs.25,50,000/-.

5. However, we do not find any good ground and reason to interfere with the direction given by the High Court for payment of Rs.1,00,000/- towards loss of love and affection and funeral expenses of Rs.25,000/-. The reason being, this is an extraordinary case wherein the first and second respondents have lost a brilliant and young son who was barely 26 years of age. We would exercise our discretion not to reduce the amount awarded as nothing has been paid for loss of filial consortium. We also do not find any justification to interfere with the award of interest @ 9% per annum in the facts of the present case.
6. Accordingly, the total quantum of compensation payable by the appellant to the first and second respondents would be Rs.26,75,000/- with interest @ 9% per annum from the date of

² (2017) 16 SCC 680

³ (2009) 6 SCC 121

filing of the claim petition till the actual date of payment. Amounts already paid would be adjusted.

7. The civil appeal is disposed of without any order as to costs.

.....J.
(INDIRA BANERJEE)

.....J.
(SANJIV KHANNA)

**NEW DELHI;
SEPTEMBER 03, 2019.**