

**IN THE HIGH COURT FOR THE STATE OF TELANGANA
AT HYDERABAD**

**FRIDAY, THE FOURTH DAY OF JULY
TWO THOUSAND AND TWENTY FIVE**

PRESENT

THE HONOURABLE SRI JUSTICE NARSING RAO NANDIKONDA

MOTOR ACCIDENT CIVIL MISCELLANEOUS APPEAL NO: 1789 OF 2018

Appeal filed under Section 173 of M.V.Act, against Order and Decree dated 12.09.2017 passed in O.P.No.427 of 2014 on the file of the court of the Chairman, Motor Accident Claims Tribunal (Pri. District Judge), Nalgonda.

Between:

1. Nandyala Indiramma, W/o. Late Goverdhan Reddy, Age. 43 years, Occ. House hold,
2. Nandyala Radhika, D/o. Late Goverdhan Reddy, Age. 24 years, Occ. Student
3. Nandyala Ram Reddy, S/o. Late Goverdhan Reddy, Age. 23 years, Occ. student
R/o. Choudampally Village, Narketpally Mandal, Nalgonda District.

...APPELLANTS/PETITIONERS

AND

1. Krishna Kumar, S/o. Sh. Uday Ram, Age. Major, R/o. H.No. 63, Sector-21C, Housing Board Colony, Faridabad Tahsil and District, Haryana State, Pin-121001.
2. National Insurance Company Ltd, Regional Office, T.P. Legal Hub, Jubli Building, Nampally Station Road, Hyderabad Rep. by its Manager.

(Policy No. 361102/31/13/6300006003 valid from 11-1-2014 to 10-01-2015)

...RESPONDENTS/RESPONDENTS

Counsel for the Appellants : SRI. ANNAPURNA SREERAM

Counsel for the Respondent No.1 : M. YAKESHWAR RAO

Counsel for the Respondent No.2 : V. SAMBASIVARAO

The Court made the following: JUDGMENT

THE HON'BLE SRI JUSTICE NARSING RAO NANDIKONDA

M.A.C.M.A.No.1789 of 2018

JUDGMENT:

The appellants/claimants filed the present appeal against the Award and decree passed by the Chairman, Motor Accident Claims Tribunal-cum-Principal District Judge, Nalgonda (hereinafter referred to 'learned Tribunal') in M.V.O.P.No.427 of 2014, dated 12.09.2017, wherein claimants/petitioners had filed the claim petition under Section 166 of M.V. Act, 1988 seeking compensation of Rs.13,00,000/- on account of death of 1st petitioner husband, namely Sri N. Goverdhan Reddy, (hereinafter referred to as 'the deceased') who died in accident occurred on 04.06.2014.

2. The brief facts of the case are that appellants/claimants who are the wife, and children of the deceased filed M.V.O.P.No.427 of 2014 under Section 166 of the M.V. Act, 1988 seeking compensation for the death of the deceased, who died in the accident alleged to have caused due to rash and negligent driving of respondent No.1. It is contended that on 04.06.2014, the deceased and his relative Malla Reddy, have purchased the cotton seeds at Nalgonda and were returning to their

village Choudampally on motor cycle bearing No.AP-24/AK/6558 and Malla Reddy was driving the motor cycle and the deceased was travelling on the said bike as a pillion rider. When they reached APSP Battalion located in the outskirts of Anneparthi of Addanki-Narketpally High way, the driver of the lorry (Truck) bearing No.HR-38-Q-8502 came in a rash and negligent manner at high speed and dashed the motor cycle, due to which, the deceased and the driver Malla Reddy sustained grievous injuries and both died on the spot. The Police, Nalgonda registered a case in Crime No.151 of 2014 under Section 304 of IPC against the driver of the lorry, i.e., respondent No.1. On account of the death of the deceased, the claimants filed claim petition seeking compensation of Rs.13,00,000/- under various heads.

3. The contention of the claimants was that as on the date of accident, the deceased was aged about 44 years and was earning Rs.15,000/- per month being agriculturist. Due to the said accident, the claimants lost their dependency. As such, filed claim petition seeking compensation.

4. Before the learned Tribunal, respondent No.1 remained *ex parte*. Respondent No.2 filed counter-affidavit, denying all the averments made

in the claim petition, including the manner in which the accident took place, age, avocation and income of the deceased and contended that the rider was not holding valid driving licence at the time of accident and as such, the compensation claimed is excessive and prayed to dismiss the claim petition.

5. Basing on the pleadings and averments made by both the counsels, the learned Tribunal framed the following issues which reads as under:

i) Whether the deceased Nandyala Goverdhan Reddy and his relative Basireddy Malla Reddy died in the motor vehicle accident due to rash and negligent driving of the driver of one Container Lorry (Truck) bearing No.HR-38-Q-8502?

ii) Whether the petitioners are entitled to claim compensation? If so, to what amount and from whom?

iii) To what relief?

6. The claimants got examined PWs 1 and 2 and got marked Exs.A1 to A6. No witnesses were examined on behalf of the respondents, but got marked Ex.B1-policy copy.

7. Having heard both the counsel and after perusing the oral and documentary evidences placed by both the parties, the learned Tribunal came to the conclusion that the said accident occurred due to the rash

and negligent driving of the driver of the said lorry and made the respondents responsible for the accident and partly allowed the claim petition, awarding an amount of Rs.7,49,000/- in favour of the claimants and against respondent Nos.1 and 2, with interest @ 7% per annum from the date of filing of petition till the date of award and also subsequent interest @ 6% from the date of award till the date of realization.

8. Being unsatisfied and aggrieved by the compensation amount awarded by the learned Tribunal, the present appeal has been preferred on the ground that the learned Tribunal did not consider the age of the deceased and took wrong multiplier as 13 in place of 14 and that the learned Tribunal has taken the monthly income of the deceased at Rs.6,000/-, though the deceased was earning Rs.15,000/- per month at the time of the accident. Further, even though the petitioners are entitled for 50% increment towards future prospects, the learned Tribunal did not consider the same and the interest ought to have been awarded @ 9% per annum and love and affection also ought to have been granted.

9. Heard Sri Annapurna Sreeram, learned counsel for the appellants/claimants and Sri V. Sambasiva Rao, learned counsel for respondent No.2-Insurance Company. None appeared for respondent No.1.

10. The point which arose for consideration before this Court in the present appeal is that:

j) Whether the appellants are entitled for enhanced compensation as prayed for? If so, to what extent?

11. Learned counsel for the appellants/claimants submits that even though the claimants got marked Ex.A6 which shows that the deceased was doing agriculture on Ac.4.27 gts., and earning Rs.15,000/-, the learned Tribunal failed to consider the monthly income of the deceased at Rs.15,000/- while awarding the compensation. Learned counsel further relied upon the judgment of the Hon'ble Supreme Court in the case of **Shailaja & Ors., v. Pavan B. Udupudi & Another**¹ and the relevant paragraph No.5 is reproduced hereinudner:

"5. Having considered the submissions made by the learned counsel for the parties and by taking into consideration the date of accident was on 11.05.2012, the ceiling limit of the income tax at the relevant point of time was Rs.1,80,000/- the income of the deceased from profession is accordingly taken or in other

¹ 2025 Law Suit (SC) 860

words we accept the income of the deceased from profession to said extent as he was an advocate with 17 years of standing. Absence of income proof cannot be a ground to deny just and reasonable compensation, particularly when there is no dispute that deceased was having a standing of 17 years at the Bar. The Courts below concurrently has accepted that deceased owned around 3 acres of agricultural land as evident from Ex.P.W-13 and 14 and yet was not persuaded to construe the income generated from the agricultural operations, for reasons best known. To maintain the said agricultural land and carry on the operations, the claimants have to necessarily expend an amount and Rs.3,000/- per acre and same would be required to be spent for carrying on the agricultural operations or in other words at least a sum of Rs.10,000/- per month will have to be paid towards supervision charges for maintaining 3 acres of agricultural land, necessarily this amount has to be construed as the loss of income to the dependents of the deceased. The supervision charges which claimants will have to spend would be Rs.10,000/- per month (Rs.1,20,000/- per year). Hence total earning of the deceased comes to Rs.3,00,000/- per year. If we add 10% towards future prospects, the annual income comes to Rs.3,30,000/-. Taking note of the number of dependents, if we deduct 1/4th, the amount would be Rs.2,47,500/- per year. Corresponding to the age of the deceased (51 years), multiplier of 11 would be applicable. Thus, the amount of compensation to which claimants would be entitled towards loss of income would be Rs.27,22,500/- (2,47,500 X 11). If we further add Rs.2,40,000/- towards loss of love and affection and filial compensation and Rs.75,000/- under the head of transportation of dead body and funeral expenses, total amount of compensation to which claimants would be entitled to would be Rs. 30,37,500/-. After deducting the amount of compensation awarded by the High Court i.e., Rs.15,76,800/- the enhanced compensation payable would be Rs. 14,60,700/-".

12. Learned counsel for respondent No.2 has vehemently contended that after considering the entire evidence available on record, the learned Tribunal has rightly taken the income of the deceased as

Rs.6,000/- and awarded compensation, which needs no interference. Learned counsel for respondent No.2 has further relied upon the judgment of the Hon'ble Supreme Court in the case of **New India Assurance Co. Ltd. v. Yogesh Devi and others**² and the relevant paragraph Nos.10 and 11 are reproduced hereunder:

"10. In Jasbir Kaur's case (supra), the claim was based on an assertion that the deceased was an agriculturist earning an amount of Rs.10,000/- per month by cultivating his land. Dealing with the question, this Court held:

"8. xxxxxxxx. The land possessed by the deceased still remains with the claimants as his legal heirs. There is however a possibility that the claimants may be required to engage persons to look after agriculture. Therefore, the normal rule about the deprivation of income is not strictly applicable to cases where agricultural income is the source. Attendant circumstances have to be considered."

11. Coming to the case on hand, the claim is based on the assertion that the deceased owned agricultural land apart from the abovementioned three mini-buses. The High Court rejected the claim insofar as it is based on the income from the land, on the ground that the income would still continue to accrue to the benefit of the family. Unfortunately, the High Court failed to see that the same logic would be applicable even to the income from the abovementioned three buses. The asset (three mini-buses) would still continue with the family and fetch income. The only difference, perhaps, would be that during his life time the deceased was managing the buses, but now, the claimants may have to engage some competent person to manage the asset, which, in turn, would require some payment to be made to such a manager. To the extent of such payment, there would be a depletion in the net income accruing to the claimants out of the asset. Therefore, the amount required for engaging the service of a manager and the salary payable to a driver - as it is asserted that the deceased himself used to drive one of the three buses - would

² 2012 (4) ALD 101 (SC)

be the loss to the claimants. In the normal course the claimants are expected to adduce evidence as to what would be the quantum of depletion in the income from the abovementioned asset on account of the abovementioned factors. Unfortunately, no such evidence was led by the claimants”.

13. Learned counsel for respondent No.2 further argued that it is only a single crop land and the question of supervisory charges which the appellants are claiming cannot be awarded, but considering the judgment relied upon by the learned counsel for the appellants, there is no dispute and denial in respect of the deceased being in possession of the land to an extent of Ac.4.27 gts., which is agricultural land as held by the Hon'ble Supreme Court in the case of **State of Haryana and Another v. Jasbir Kaur and others**³, wherein, relevant paragraph No.8 is reproduced herein under:

“8. It is clear on a bare reading of the Tribunal's decision as affirmed by the High Court that no material was placed before the former to prove as to what was the income. As rightly contended by learned counsel for the appellants, there was not even any material adduced to show type of land which the deceased possessed. The matter can be approached from a different angle. The land possessed by the deceased still remains with the claimants as his legal heirs. There is however a possibility that the claimants may be required to engage persons to look after agriculture. Therefore, the normal rule about the deprivation of income is not strictly applicable to cases where agricultural income is the source. Attendant circumstances have to be

³ (2003) 7 SCC 484

considered. Furthermore, there was no material before the Tribunal to arrive at the figure of Rs.4500 per month. No reason has been indicated to arrive at this figure. In the light of what has been discussed above about "just compensation" the income cannot be estimated without any material to justify the estimation. In the normal course, we would have remitted the matter back to the Tribunal for fresh consideration. But considering the fact that one young person lost his life, and the matter was pending before the Tribunal and the High Court for some years, we feel it appropriate to take all relevant factors into consideration, and decide the matter. Gauging the relevant aspects, noted above, the monthly income is fixed at Rs.3000/- per month, and after deducting Rs.1,000/- for personal expenses, financial contribution so far as the claimants are concerned is fixed at Rs.2,000/- per month. Worked out on the basis of multiplier of 18, the compensation is fixed at Rs.4,32,000/-. The amount of Rs.2,000/- awarded by the Tribunal for funeral expenses is not interfered with and thus the total compensation comes to Rs.4,34,000/-. The rate of interest i.e. 9% per annum as fixed by the Tribunal and affirmed by the High Court is appropriate, and does not need any alteration. After adjusting the sum which was deposited pursuant to the order of this Court dated 14.12.2001, the balance amount along with interest shall be deposited within three months from today before the Tribunal. On the deposit being made along with the amount already deposited, a sum of Rs.3 lakhs shall be kept in the fixed deposit in the name of the claimants and a sum of Rs.50,000/- shall be kept in fixed deposit in the name of Smt. Baldev Kaur, mother of the deceased. They shall be entitled to draw interest on the deposit, which shall be re-deposited for further terms of five years. In case of urgent need, it shall be open to the claimants to move Tribunal for release of any part of the amount in deposit. The Tribunal shall consider the request for withdrawal and shall direct withdrawal in case of an urgent need and not otherwise of such sum as would meet the need. It shall be specifically indicated to the Bank where the deposits are to be made that no advance or withdrawal of any kind shall be permitted without the order of the Tribunal. It shall be open to the claimants to approach the Tribunal for variance of the order relating to deposit in fixed deposit, if any other scheme would fetch better returns and also would provide regular and permanent income".

14. In view of the above, this Court is of the opinion that though the appellants have succeeded to the land to an extent of Ac.4.27 gts., there would not be loss of income of the petitioners, as rightly held by the Hon'ble Supreme Court and the petitioners for the purpose of doing agriculture, they may incur some amount for the purpose of engaging supervisor for cultivation of the land or they may involve in the said cultivation. In such case, obviously, they have to incur certain amount.

15. Taking into consideration of the judgment of the Hon'ble Supreme Court cited in **Shailaja case (supra)**, this Court is also of the opinion that an amount of Rs.2,000/- per acre can be taken as a basis for assessing the notional income of the deceased. The actual income would be Rs.2,000/- and when multiplied with the extent of land owned by the deceased, it would come to **Rs.8,540/-** (Rs.2000/-X Ac.4.27 gts.,).

16. As per the decision of Hon'ble Supreme Court in **National Insurance Company Limited Vs. Pranay Sethi and others⁴** and considering the age of the deceased as 45 years as on the date of accident which is not disputed by the learned counsel for the appellants, additional 25% of the income has to be added towards future prospects

to the monthly income of the deceased. Therefore, the monthly income of the deceased would come to Rs.10,675/- (Rs.8,540/- + Rs.2,135/-). The annual income of the deceased would come to Rs.1,28,100/- (Rs.10,675/- X 12) and, out of which, 1/3 has to be deducted towards the personal expenses of the deceased as the dependants are three in number. Then the actual annual income would come to Rs.85,400/- (Rs.1,28,100/- (-) Rs.42,700/-).

17. As per the column No.4 of schedule fixed in the judgment of the Apex Court in **Sarla Verma v. Delhi Transport Corporation**⁵, and considering the age of the deceased as **45 years**, the appropriate multiplier applicable for the deceased age is '14'. Thus, the total loss of dependency would come to Rs.11,95,600/- (Rs.85,400/- x 14).

18. The appellants/claimants are further entitled to Rs.18,150/- (Rs.15,000/- + 10% + 10%) towards loss of estate and Rs.18,150/- (Rs.15,000/- + 10% + 10%) towards funeral expenses, as per **Pranay Sethi's Judgment** (cited supra).

⁵ 2009 ACJ 1298 (SC)

19. Further, considering that appellant No.1 being the wife of deceased, she is entitled to a sum of Rs.48,400/- under the head of 'loss of consortium' as per **Pranay Sethi's Judgment** (cited supra).

20. Appellant Nos.2 and 3 being the children of the deceased, they are entitled for compensation to a sum of Rs.96,800/- (Rs.48,400 x 2) under the head of 'loss of parental consortium' as per **Magma General Insurance Company Limited v. Nanu Ram alis Chuhru Ram**

21. In **Sarla Verma's case (cited above)**, the Hon'ble Apex Court, while elaborating the concept of 'just compensation' observed as under:

"Post compensation is adequate compensation which is fair and equitable on the facts and circumstances of the case, to make good the loss suffered as a result of the wrong, as far as money can do so, by applying, the well settled principles relating to award of compensation. It is not intended to be a bonanza, largesse or source of profit."

22. Considering the above assessment made by this Court, appellants would be entitled to as follows:

i)	Annual Income (of the deceased) Rs.8,540/- X 12 = Rs.1,02,480/-	
ii)	Total Annual Income = Annual Income + Future Prospects (Annual Income X 25%) = Rs.1,02,480/- + Rs.25,620/- = Rs.1,28,100/-	
iii)	Annual Dependency = Total Total Annual Income - 1/3	

	deduction towards personal expenses of the deceased = Rs.1,28,100/- (-) Rs.47,700/- = Rs.85,400/-	
iv)	Total Dependency = Annual Dependency x Applied Multiplier = Rs.85,400/- x 14 =	Rs.11,95,600/-
v)	Claimants' entitlement towards conventional heads = Loss of Estate + Funeral Expenses + loss of spousal consortium + loss of Parental Consortium = Rs.18,150/- + Rs.18,150/- + Rs.48,400 + Rs.96,800 =	Rs.1,81,500/-
	Total	Rs.13,77,100/-

23. Thus, the appellants/claimants are entitled to the enhanced compensation of **Rs.13,77,100/-** as against the awarded amount of Rs.7,49,000/- by the learned Tribunal.

24. Considering the circumstances of the case, the learned Tribunal has rightly awarded the rate of interest @ 7 % per annum and the same needs no interference by this Court. Hence, this Court is of the opinion that the petitioners/claimants are entitled for the interest @ 7% on the enhanced amount.

25. This point is answered accordingly in favour of the appellants and against the respondents. The claimants are entitled for an enhanced compensation of **Rs.13,77,100/-**.

26. Accordingly, the M.A.C.M.A is allowed, enhancing the compensation from Rs.7,49,000/- to **Rs.13,77,100/-** with interest at the rate @ 7% p.a. on the enhanced amount from the date of petition till the date of realization. The respondents directed to deposit the said amount together with costs and interest after giving due credit to the amount already deposited, if any, within a period of two months from the receipt of a copy of this judgment. The respondents are directed to deposit the said amount together with costs and interest after giving due credit to the amount already deposited, if any, within a period of two months from the date of receipt of a copy of this judgment. The compensation amount shall be apportioned among the claimants in the same manner and ratio as ordered by the learned Tribunal. On such deposit, the claimants are permitted to withdraw the same without furnishing any surety. There shall be no order as to costs.

27. Miscellaneous petitions, if any are pending, shall stand closed.

SD/- T.SRINIVASA REDDY
ASSISTANT REGISTRAR

//TRUE COPY//

SECTION OFFICER

To,

1. The Chairman, Motor Accident Claims Tribunal-cum-Principal District Judge, Nalgonda.
2. One CC to SRI. ANNAPURNA SREERAM Advocate [OPUC]
3. One CC to SRI. M. YAKESHWAR RAO, Advocate [OPUC]
4. One CC to SRI. V. SAMBASIVARAO, Advocate [OPUC]
5. Two CD Copies

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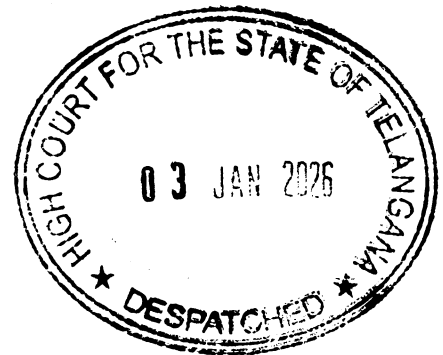
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HIGH COURT

DATED:04/07/2025

JUDGMENT

MACMA.No.1789 of 2018



ALLOWING THE MACMA WITHOUT COSTS

(7) MT
6/12/25

IN THE HIGH COURT FOR THE STATE OF TELANGANA
AT HYDERABAD

FRIDAY, THE FOURTH DAY OF JULY
TWO THOUSAND AND TWENTY FIVE

PRESENT

THE HONOURABLE SRI JUSTICE NARSING RAO NANDIKONDA

MOTOR ACCIDENT CIVIL MISCELLANEOUS APPEAL NO: 1789 OF 2018

Between:

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2. Nandyala Radhika, D/o. Late Goverdhan Reddy, Age. 24 years, Occ. Student
3. Nandyala Ram Reddy, S/o. Late Goverdhan Reddy, Age. 23 years, Occ. student
R/o. Choudampally Village, Narketpally Mandal, Nalgonda District.

...APPELLANTS/PETITIONERS

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1. Krishna Kumar, S/o. Sh. Uday Ram, Age. Major, R/o. H.No. 63, Sector-21C, Housing Board Colony, Faridabad Tahsil and District, Haryana State, Pin-121001.
2. National Insurance Company Ltd, Regional Office, T.P. Legal Hub, Jubli Building, Nampally Station Road, Hyderabad Rep. by its Manager.

(Policy No. 361102/31/13/6300006003 valid from 11-1-2014 to 10-01-2015)

...RESPONDENTS/RESPONDENTS

Appeal filed under Section 173 of M.V.Act, against Order and Decree dated 12.09.2017 passed in O.P.No.427 of 2014 on the file of the court of the Chairman, Motor Accident Claims Tribunal (Pri. District Judge), Nalgonda.

This appeal coming on for hearing and upon perusing the grounds of appeal, the judgment and Decree of the Lower Court and the material papers in the case and upon hearing the argument of SRI ANNAPURNASREERAM, Advocate for the Appellants and SRI M. YAKESHWAR RAO, Advocate appeared for Respondent No.1 and SRI V. SAMBA SIVA RAO, Advocate appeared for Respondent No. 2.

This Court doth Order and Decree as follows:

1. That the Motor Accident Civil Miscellaneous Appeal be and is hereby allowed.
2. That the compensation be and is hereby enhanced from Rs.7,49,000/- to Rs.13,77,100/- with interest at the rate @ 7% p.a. on the enhanced amount from the date of petition till the date of realization.
3. That the respondents be and is hereby directed to deposit the said amount together with costs and interest after giving due credit to the amount already deposited, if any, within a period of two months from the receipt of a copy of this judgment.
4. That the compensation amount shall be apportioned among the claimants in the same manner and ratio as ordered by the learned Tribunal.
5. That on such deposit by the respondents, the claimants are hereby permitted to withdraw the same without furnishing any surety.
6. That there shall be no order as to costs in this appeal.

**SD/- MOHD.ISMAIL
DEPUTY REGISTRAR**

//True Copy//

SECTION OFFICER

To

1. The Chairman, Motor Accident Claims Tribunal-cum-Principal District Judge, Nalgonda.
2. Two CD Copies.

GE/PSL



HIGH COURT

DATED:04/07/2025

DECREE

MACMA.No.1789 of 2018

ALLOWING THE MACMA WITHOUT COSTS

(4) MT
6/12/25