

IN THE HIGH COURT OF ANDHRA PRADESH AT AMARAVATI

M.A.C.MA.No.804 of 2018

Between:

UNITED INDIA INSURANCE COMPANY.LTD, REP. BY ITS DIVISIONAL
MANAGER, TIRUPATHI.

...APPELLANT

And

- \$ 1. C NAGAMANI, W/O.LATE CSR ANJANEYULU, 45 YRS.
2. C SRINIVAS, S/O.LATE CSR ANJANEYULU, 27 YRS.,
3. C JANARDHANA SWAMY, S/O.LATE CSR ANJANEYULU, 25 YRS.,
ALL ARE R/O.1-50-3, SVP COLONY, TIRUCHANOUR, TIRUPATHI
RURAL MANDAL, CHITTOOR DIST.
4. D NAGESWARA RAO, S/O.LAGANNADHARAO, 45 YRS., R/O.27-
185, SUBBAIAH THOTA, BEHIND TRAVELLERS BUNGLOW,
CHILAKALURIPET, GUNTUR DIST.
5. THE NEW INDIA ASSURANCE CO LTD, REP. BY ITS DIVISIONAL
MANAGER, P.K.LAY OUT., TIRUPATHI.
6. C H V SUBBARAO, S/O.C.R.RAO, 45 YRS., R/O.KANIPAKAM
VILLAGE, IRALA MANDAL, CHITTOOR DIST.

... Respondents

Date of Judgment pronounced on : 31-07-2026

HON'BLE SRI JUSTICE TUHIN KUMAR GEDELA

1. Whether Reporters of Local newspapers : Yes/No
May be allowed to see the judgments?
2. Whether the copies of judgment may be marked : Yes/No
to Law Reporters/Journals:
3. Whether the Lordship wishes to see the fair copy : Yes/No
Of the Judgment?

JUSTICE TUHIN KUMAR GEDELA

***IN THE HIGH COURT OF ANDHRA PRADESH AT AMARAVATI**

*** HON'BLE SRI JUSTICE TUHIN KUMAR GEDELA**

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% Dated: 31-07-2026

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... Respondents

! Counsel for Appellant : Sri V. Srinivasa Rao

^Counsel for Respondents 1 to 3 : Smt. P. Radhika

<GIST :

>HEAD NOTE:

? Cases referred:

1. 2008(1)ALD (CrI.) 54 (AP)
2. 2009 ACJ 1298
3. 2003(2) SCC 274
4. 2019(2) SCC 192
5. 2020(4)SCC 413
6. (2017) 16 SCC 680

APHC010030652018



**IN THE HIGH COURT OF ANDHRA PRADESH
AT AMARAVATI
(Special Original Jurisdiction)**

[3548]

FRIDAY, THE 31st DAY OF JULY 2026

PRESENT

THE HONOURABLE SRI JUSTICE TUHIN KUMAR GEDELA

MOTOR ACCIDENT CIVIL MISCELLANEOUS APPEAL NO: 804/2018

Between:

1. UNITED INDIA INSURANCE COMPANY.LTD, REP. BY ITS
DIVISIONAL MANAGER, TIRUPATHI.

...APPELLANT

AND

1. C NAGAMANI, W/O.LATE CSR ANJANEYULU, 45 YRS.

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VILLAGE, IRALA MANDAL, CHITTOOR DIST.

...RESPONDENT(S):

Appeal filed under Order 41 of CPC before the High Court This memorandum of appeal being aggrieved by the decree and judgment passed

in MVOP- 445 OF 2010., dated 12-09-2017, on the file of Motor Accident Claims Tribunal -cum- III ADDITIONAL DISTRICT JUDGE AT TIRUPATHI

IA NO: 1 OF 2018

Petition under Section 151 CPC praying that in the circumstances stated in the affidavit filed in support of the petition, the High Court may be pleased To stay all further proceedings including the execution of decree and award dated.12/09/2017 in MVOP.No.445/2010 on the file of the MACT-Cum-III Additional District Judge at Tirupathi, pending disposal of the above appeal and pass

IA NO: 2 OF 2018

Petition under Section 151 CPC praying that in the circumstances stated in the affidavit filed in support of the petition, the High Court may be pleased

IA NO: 1 OF 2023

Petition under Section 151 CPC praying that in the circumstances stated in the affidavit filed in support of the petition, the High Court may be pleased pleased to permit the Petitioners herein/ Respondents No.1 to 3 in main MACMA No. 804 of 2018 to withdraw the amount deposited by the Appellant/Respondent herein as directed by this Hon'ble Court in IA No. 1 of 2018 in MACMA.No.804/2018 dt.16.02.2021 and pass

Counsel for the Appellant:

1.SRINIVASA RAO VUTLA

Counsel for the Respondent(S):

1.B PARAMESEWARA RAO

2.PULIPATI RADHIKA

The Court made the following Judgment:

Heard,

Sri V. Srinivasa Rao, learned counsel appearing for the United Insurance Company Limited and Smt. P. Radhika learned counsel appearing for respondents/claimants 1 to 3.

2. The parties are referred to as they are arrayed before the Motor Accidents Claims Tribunal-cum-III Additional District Judge, Tirupati (for short, "The Tribunal") in M.V.O.P. No.445 of 2010, decided on 12.09.2017 as claimants and respondents/insurers respectively.

3. The present appeal is filed by the appellant/Insurance Company challenging the award dated 12.09.2017 passed in M.V.O P. No 445 of 2010, whereby the Tribunal awarded compensation of Rs.28,00,000/- to claimants under Section 166 of the Motor Vehicles Act, 1988 (for short, 'the Act') on account of the death of Sri CSR. Anjaneyulu in a motor vehicle accident that occurred on 06.01.2009.

4. The brief facts leading to filing of the claim petition are that, the 1st petitioner is the wife and petitioner Nos.2 and 3 are the children of the deceased, C.S.R. Anjaneyulu. The deceased was working as a Deputy Executive Engineer in Tirumala Tirupati Devasthanams (TTD), Shilparamam, and was earning a monthly salary of Rs.41,735/-. According to the claimants,

he was contributing his entire earnings towards the maintenance of the family. It was further pleaded that the deceased had bright future prospects with every likelihood of earning higher emoluments and promotional benefits had he remained alive.

5. It is the case of the claimants that on 06.01.2000 at about 4.00 a.m., while the deceased was travelling in a Maruthi Van bearing No. AP 26 D 8719 from Kanipakam to Tirupati, near Thondavada Village Cross Road on the Chittoor-Tirupati Road, a Milk Tanker bearing No AP 03 X 0199, driven in a rash and negligent manner, came from the opposite direction and dashed against the Maruthi Van. As a result of the impact, the deceased sustained grievous injuries and succumbed to the same on the spot. Chandragiri Police registered Crime No 2 of 2009 under Section 304-A of the Indian Penal Code.

6. The 1 respondent, being the owner of the Milk Tanker, had insured the vehicle with the 2nd respondent, namely, United India Insurance Company Limited. It was pleaded that the accident occurred during the course of employment of the driver of the Milk Tanker and, therefore, the owner and the insurer were jointly and severally liable to pay compensation of Rs.28,00,000/- together with interest and costs.

7. The 2nd respondent/Insurance Company filed a counter denying the material averments in the claim petition. It was contended that the compensation claimed was highly excessive and that the accident occurred solely due to the rash and negligent driving of the driver of the Maruthi Van

bearing No.AP 26 D 8719 in which the deceased was travelling. It was further contended that the driver of the Milk Tanker was falsely implicated, although the First Information Report (FIR) was initially registered against the driver of the Maruthi Van. According to the insurer, the police, at the instance of the claimants, subsequently, filed the charge-sheet against the driver of the Milk Tanker. It was also pleaded that the claim petition was bad for non-joinder of necessary parties and liable to be dismissed.

8. Subsequently, by order dated 13.03.2014 passed in LA No.428 of 2013 the owner and insurer of the Maruthi Van were impleaded as respondent Nos. 3 and 4. The 3rd respondent, owner of the Maruthi Van, filed a separate written statement contending that the accident occurred solely due to the rash and negligent driving of the Milk Tanker and that the driver of the Maruthi Van possessed a valid driving licence. It was further contended that neither the FIR nor the charge-sheet attributed negligence to the driver of the Maruthi Van and therefore the claim against him was liable to be dismissed.

9. The 4th respondent/insurer of the Maruthi Van filed a separate counter denying the age, occupation and income of the deceased and put the claimants to strict proof thereof. It was further contended that there was no rashness or negligence on the part of the driver of the Maruthi Van and consequently prayed for dismissal of the claim petition.

10. Based on the above pleadings, the Tribunal framed the following issues:

1. Whether the accident occurred due to the rash and negligent driving of the driver of the Milk Tanker bearing No.AP 03 X 0199, resulting in the death of Sri C.S.R. Anjaneyulu?

2. Whether the petitioners are the legal representatives of the deceased and entitled to compensation? If so, to what amount and from whom?

3. To what relief?

11. In support of their case, the claimants examined P.Ws.1 and 2 and got marked Exs.A1 to A7. On behalf of the respondents. R.Ws.1 to 4 were examined and Exs. B1 to B6 were marked

12. While considering Issue No.1, the Tribunal examined the evidence of P.W.1. Smt. C. Nagamani wife of the deceased, who deposed that, while the deceased was returning from Kanipakam in the Maruthi Van, the Milk Tanker belonging to the 1st respondent came from the opposite direction in a rash and negligent manner and dashed against the Maruthi Van, resulting in the death of her husband and the other occupants on the spot.

13. To substantiate her case, the claimants relied upon Ex.A1-certified copy of the FIR in Crime No.2 of 2009, Ex.A2-Inquest Report, Ex.A3-Post-Mortem Report, Ex.A4-Charge Sheet, Ex.A5-Form No.54, Ex.A6-Salary Certificate and Ex.A7-School Leaving Certificate.

14. During her cross-examination, P.W.1 admitted that after the death of her husband she was receiving family pension of Rs.35,000/- per month

and that petitioner Nos.2 and 3 were employed in TTD, Tirupati, and that the second petitioner was drawing a salary of Rs.20,000/- per month.

15. PW.2. Sri E Sankar Reddy, an eye-witness to the accident deposed that the accident occurred due to the rash and negligent driving of the driver of the Milk Tanker and that the deceased died on the spot.

16. The 1st petitioner also filed an additional chief-examination affidavit stating that the accident occurred due to a collision between the Milk Tanker and the Maruthi Van and that the Maruthi Van was insured with the 4th respondent under a valid insurance policy

17. On behalf of 2nd respondent, R.W.1. Sri P. Srivasulu- Assistant Manager of the Insurance Company deposed that the accident occurred due to the negligence of the driver of the Maruthi Van. However, in cross-examination, he admitted that he was not an eye-witness to the accident. He further admitted that the FIR did not disclose negligence on the part of the driver of the Maruthi Van. Though he relied upon the statements recorded under Section 161 Cr.P.C., he alleged that the Investigating Officer, after a lapse of nine months, re-examined certain witnesses in collusion with the claimants and filed a charge-sheet against the driver of the Milk Tanker.

18. Ex.B1 is the certified copy of the statement of L.W.1 recorded under Section 161 Cr.P.C, Ex.B2 is the certified copy of the re-examination statements of L.Ws.2, 5 and 8, Ex.B3 is the certified copy of the statements of

L.Ws.15 to 18, and Ex.B4 is the insurance policy relating to the Milk Tanker, which was admittedly in force on the date of the accident.

19. RW.2. CH.V. Subbarao, owner of the Milk Tanker, deposed that there was no negligence on the part of his driver. However, during cross examination, he admitted that he could not state as to whose negligence had caused the accident.

20. RW3. Smt. G. Suneetha Administrative Officer of the respondent/Insurance Company, deposed that the insurer of the Maruthi Van was not liable as there was no negligence on the part of its driver.

21. R.W.4. Sri S. Arifulla- Deputy Superintendent of Police, who had earlier worked as Inspector of Police, Chandragiri Police Station, deposed that the statements initially recorded during investigation indicated negligence on the part of the driver of the Maruthi Van. He also stated that the inquest panchayatdars had expressed a similar opinion. However, during cross-examination, he admitted that the accident was the result of a collision between the two vehicles.

22. Upon appreciation of the oral and documentary evidence, the Tribunal held that the accident occurred due to a collision between the Milk Tanker and the Maruthi Van and concluded that there was contributory negligence on the part of both drivers. Accordingly, it held that respondent Nos.2 and 4, being the insurers of the respective vehicles, were liable in

accordance with the extent of negligence attributed to the vehicles insured by them.

23. The learned counsel for the petitioner has relied upon a decision reported in **Public Prosecutor, High Court of A.P Hyderabad vs. Mid Ankoos and Others**¹ wherein it was held that-

“Recording of statement of witnesses by investigating officer in two sets on two different dates is changes procedure and investigating agency unknown to investigating procedure. Inadvertent admission by investigating officer that he recorded the statement of witnesses on 2nd time cannot be accepted in absence of any explaining statement of witnesses recording on first occasion alone has to be believed”.

24. Elucidating the above ratio, the Tribunal observed that the accident was the result of a collision between the Maruthi Van and the Milk Tanker. On appreciation of the oral and documentary evidence, it held that there was contributory negligence on the part of the drivers of both the vehicles. Accordingly, Issue No. 1 was answered in favour of the claimants.

25. While dealing with Issue No.2, the Tribunal held that the petitioners, being the wife and children of the deceased, are his legal representatives and, therefore, entitled to claim compensation under the Motor Vehicles Act. The Tribunal further observed that the receipt of terminal benefits by the family and the appointment of one of the sons on

¹ 2008(1)ALD (CrI) 54 (AP)

compassionate grounds in TTD would not disentitle the claimants from claiming compensation under the Act.

26. Taking the age of the deceased as **56 years**, the Tribunal rightly applied the multiplier of "**9**" in terms of the principles laid down by the Hon'ble Supreme Court in **Sarla Verma and Others v. Delhi Transport Corporation and Another**². The Tribunal excluded HRA, PCA, CCA and Family Planning Incentive, as the said allowances were personal to the deceased and not liable to be treated as part of the contribution to the family. Accordingly, the monthly income available for computation of dependency was determined at Rs.32,866/-. Since the deceased was an income-tax assessee, the Tribunal deducted 20% towards income tax, amounting to Rs.6,573/-, and arrived at the net monthly income as Rs.26,293/-. The annual income was thus calculated at Rs.3,15,516/- (Rs.26,293 x 12). Applying the multiplier of '9', the Tribunal determined the loss of dependency at Rs.28,39,644/-, as shown below:

Particular	Amount (Rs.)
Net monthly Income	26,293
Annual Income (26,293x12)	3,15,516
Multiplier	9
Loss of dependency	28,39,644

Thus, the Tribunal determined the compensation payable towards loss of dependency at Rs.28,39,644/-.

² 2009 ACJ 1298

27. A careful perusal of the impugned Award reveals that although the Tribunal categorically recorded a finding that the claimants were entitled to compensation of Rs.28,39,644/-, restricted the Award to 28,00,000/- solely on the ground that the claim petition was confined to the said amount. In the considered opinion of this Court, the restriction is unsustainable. Once the Tribunal quantified the just compensation on the basis of the evidence available on record, it ought to have awarded the said amount instead of restricting it to the amount claimed in the petition. Such restriction defeats the very object of awarding "**just compensation**" under Section 168 of the Motor Vehicles Act.

28. The Hon'ble Supreme Court in **Nagappa vs Gurudayal Singh & Ors.**,³ at paragraph 21, held as follows:

"For the reasons discussed above, in our view, under the M.V. Act, there is no restriction that Tribunal/Court cannot award compensation amount exceeding the claimed amount. The function of the Tribunal/Court is to award 'Just' compensation which is reasonable on the basis of evidence produced on record. Further, in such cases there is no question of claim becoming time barred or it cannot be contended that by enhancing the claim there would be change of cause of action. It is also to be stated that as provided under sub-section (4) to Section 166, even report submitted to the Claims Tribunal under sub-section (6) of Section 158 can be treated as an application for compensation under the M.V. Act. If required, in appropriate cases, Court may permit amendment to the Claim Petition".

³ 2003 (2) SCC 274

29. In **Ramla vs National Insurance Co. Ltd** ⁴., the Hon'ble Supreme Court at paragraph 5, held as follows:

“Though the claimants had claimed a total compensation of Rs.25,00,000/- in their claim petition filed before the Tribunal, we feel that the compensation which the claimants are entitled to is higher than the same as mentioned supra. There is no restriction that the Court cannot award compensation exceeding the claimed amount, since the function of the Tribunal or Court under Section 168 of the Motor Vehicles Act, 1988 is to award “just compensation”. The Motor Vehicles Act is a beneficial and welfare legislation. A “just compensation” is one which is reasonable on the basis of evidence produced on record. It cannot be said to have become timebarred. Further, there is no need for anew cause of action to claim an enhanced amount. The Courts are duty bound to award just compensation.”

30. In **Kajal vs Jagdish Chand**,⁵ the Hon'ble Supreme Court, at paragraph 33, held as follows:

“We are aware that the amount awarded by us is more than the amount claimed. However, it is well settled law that in motor accident claim petitions, the Court must award just compensation and, in case, the just compensation is more than the amount claimed, that must be awarded especially where the claimant is a minor.”

31. Learned counsel for the claimants, Smt. Pulipati Radhika, rightly contended that the issue is no longer *res integra*. It is well settled that the Claims Tribunal as well as the Appellate Court is competent to Award compensation in excess of the amount claimed if the evidence on record establishes the entitlement of the claimants to a higher amount. In the present case, the Tribunal itself recorded, at paragraph 33 of the Award, that the claimants were entitled to compensation of Rs.28,39,644/-, but restricted the

⁴ 2019 (2) SCC 192

⁵ 2020 (4) SCC 413

compensation to Rs.28,00,000/- only because the claim petition was limited to that Compensation amount. Such restriction is contrary to the settled principles of law governing the award of just compensation and, therefore, cannot be sustained. The Motor Vehicle Act, is a beneficial and welfare legislation and the Courts are duty bound to award 'Just Compensation'.

32. Learned counsel for the claimants further contended that the Tribunal failed to award compensation under the conventional heads as settled by the Constitution Bench of the Hon'ble Supreme Court in **National Insurance Co. Ltd. v. Pranay Sethi**.⁶ The relevant principles laid down in paragraph 52 of the said judgment are summarized below:

"As far as the conventional heads are concerned we find it difficult to agree with the view expressed in *Rajesh*. It has granted 25,000 towards loss of care and guidance for minor children. The head relating to funeral expenses, Rs.1,00,000/- loss of consortium and Rs.1,00,000/- towards loss of care and guidance of minor children does not exist. Though *Rajesh* refers to *Santosh Devi*, it does not seem to follow the same. The conventional and traditional heads, needless to say, cannot be determined on percentage basis because that would not be an acceptable criterion. Unlike determination of income, the said heads have to be quantified. Any quantification must have a reasonable foundation. There can be no dispute over the fact that price index, fall in bank interest, escalation of rates in many a field have to be noticed. The court cannot remain oblivious to the same. There has been a thumb rule in this aspect. Otherwise, there will be extreme difficulty in determination of the same and unless the thumb rule is applied, there will be immense variation lacking any kind of consistency as a consequence of which, the orders passed by the tribunals and courts are likely to be unguided. Therefore, we think it seemly to fix reasonable sums. It seems to us that reasonable figures on conventional heads,

⁶ (2017) 16 SCC 680

namely, loss of estate, loss of consortium and funeral expenses should be Rs. 15,000/-, Rs. 40,000/- and Rs. 15,000/- respectively. The principle of revisiting the said heads is an acceptable principle. But the revisit should not be fact-centric or quantum-centric. We think that it would be condign that the amount that we have quantified should be enhanced on percentage basis in every three years and the enhancement should be at the rate of 10% in a span of three years. We are disposed to hold so because that will bring in consistency in respect of those heads.”

The said contention deserves acceptance. The Tribunal has not awarded any amount towards loss of estate, loss of consortium, or funeral expenses. In terms of the law laid down in *Pranay Sethi* (referred supra), the claimants are entitled to compensation under the following conventional heads:

Head of compensation	Amount(Rs.)
Loss of Estate	15,000
Loss of Consortium(Rs.40,000 x 3 claimants)	1,20,000
Funeral expenses	15,000
Total under Conventional Heads	1,50,000

Accordingly, an additional sum of Rs. 1,50,000/- is liable to be added to the compensation determined by the Tribunal.

33. Thus, the compensation payable to the claimants is re-computed as follows:

Head	Amount(Rs.)
Loss of Dependency	28,39,644
Loss of Estate	15,000

Loss of Consortium	1,20,000
Funeral Expenses	15,000
Total Compensation	29,89,644

34. It is brought to the notice of this Court by Smt. Pulipati Radhika learned counsel appearing for the claimants, that respondent No.5 namely New India Assurance Company Limited, has already deposited its share of Rs. 14,00,000/- in terms of the Award passed by the Tribunal. The learned counsel further submitted that the enhanced compensation awarded by this Court shall also be borne equally by the appellant, United India Insurance Company Limited, and respondent No.5, New India Assurance Company Limited, in accordance with the apportionment of liability fixed by the Tribunal.

35. For the above stated facts and circumstances and following the judgments of the Hon'ble Supreme Court, the Motor Accident Civil Miscellaneous Appeal No. 804 of 2018 is dismissed. However, the Award and Decree passed by the Tribunal is modified, enhancing the compensation granted to the claimants from Rs.28,00,000/- to Rs.29,89,644/- with interest @ 7.5% per annum. The appellant herein is directed to deposit the aforesaid enhanced amount of compensation before the Tribunal, within a period of eight weeks (08) from the date of receipt of a copy of this judgment, after deducting the amount, if any, deposited earlier. On such deposit, the claimants are entitled to withdraw the same as per their apportioned shares before the Tribunal. The claimants shall pay the deficit court fee on the

compensation amount awarded over and above the amount claimed in the Claim Petition. There shall be no order as to costs.

As a sequel, pending miscellaneous petitions, if any, shall stand closed.

JUSTICE TUHIN KUMAR GEDELA

31.07.2026

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THE HON'BLE SRI JUSTICE TUHIN KUMAR GEDELA

MACMA.No.804 of 2018

31.07.2026

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