



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

[3505]

FRIDAY, THE THIRTEENTH DAY OF FEBRUARY
TWO THOUSAND AND TWENTY SIX

PRESENT

THE HONOURABLE SRI JUSTICE T.C.D.SEKHAR

MOTOR ACCIDENT CIVIL MISCELLANEOUS APPEAL NO: 220/2019

Between:

1. UNITED INDIA INSURANCE CO. LTD.,, REP.BY ITS BRANCH
MANAGER, OFFICE SITUATED AT NO.1ST FLOOR,3RD
CROSS, 100FEET RING ROAD, HOSAKEREHALI, BANGALORE

...APPELLANT

AND

1. DERANGULA RATNA, R/O.D.NO.2/124, VELLATUR VILLAGE,
PENDLIMARRI MANDAL,KADAPA DISTRICT

2. DERANGULA LOKENDRA, R/O.D.NO.2/124, VELLATUR
VILLAGE, PENDLIMARRI MANDAL,KADAPA DISTRICT

3. DERANGULA BHARGAVA, R/O.D.NO.2/124, VELLATUR
VILLAGE, PENDLIMARRI MANDAL,KADAPA DISTRICT

4. PAPPANNAN LAKSHMANAN, LORRY BEARING NO.TN 29 BB
9371, R/O. RAJAGILLAHALLI POST,DHARMAPURI DISTRICT,
TAMILNADU STATE.

5. KRISHNAN MURUGAN, LORRY BEARING NO. TN 29 BB 9371,
R/O. MALLEPURAM VILLAGE, SOMANALLI MANDAL,
DHARMAPURI DISTRICT, TAMILNADU STATE

...RESPONDENT(S):

Appeal filed under Order 41 of CPC praying that the Highcourt may be pleased toMemorandum of Civil Miscellaneous appeal against the order and decree dated 07-12-2018 passed MVOP.68/2018 on the file of the motor accidents claims tribunal-cum-principal district judge,Kadapa

IA NO: 1 OF 2019

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 in decree and order dated 19-12-2018 passed in MVOP.68/2018 on the file of the motor accidents claims tribunal-cum-principal district judge, Kadapa pending disposal of the main appeal

IA NO: 2 OF 2019

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 set aside the dismissal order Dt. 15.07.2019 and restore the MACMA 220 of 2019 on file and hear the appeal on merits and pass

Counsel for the Appellant:

1.S A V RATNAM

Counsel for the Respondent(S):

1.B S VENKATA REAMESH

2.B S VENKATA RAMESH

The Court made the following judgment:

The present appeal is filed by the United India Insurance Company Limited, aggrieved by order dated 07.12.2018, in MVOP No.68/2018, on the file of the Chairman, Motor Accidents Claims Tribunal-cum-Principle District Judge, Kadapa.

2. The respondent Nos.1 to 3 filed claim petition under Section 166 of the Motor Vehicles Act, claiming compensation of Rs.20,00,000/-, on account of the death of Derangula Sreenu, who died in the accident that occurred on 09.07.2017, in which the offending lorry bearing registration No.TN29BB9371, belonging to the 5th respondent was involved.

3. The tribunal after considering the case, by order under challenge granted an amount of Rs.17,55,000/- as compensation under various conventional heads. Though several grounds are raised in the present appeal, the counsel for the appellant confined her argument in respect of granting Rs.3,00,000/- to the petitioners towards loss of love and affection and Rs.1,00,000/- towards expectancy of life.

4. The counsel for the appellant would submit that, the tribunal ought not to have awarded the aforesaid amounts, as the claimants are not entitled to the same as per the judgment rendered by the Hon'ble Apex Court in the case of ***National Insurance Company Ltd., Vs. Pranay***

Sethi and Ors.,¹. She would further contend that, the compensation awarded under the said heads is not valid in the eye of law and prayed this Court to set aside the order of the tribunal to that extent.

5. On the other hand, the counsel for the respondents would contend that, though the petitioners have specifically pleaded that the deceased was working as mason and earning an amount of Rs.20,000/- per month, the Tribunal has taken the income of the deceased as Rs.9,000/- per month which is highly irrational. He would further contend that, the Tribunal, by following the judgments rendered by the Apex Court had awarded the compensation and prayed to dismiss the appeal.

6. Heard counsel for the appellant and counsel for respondent Nos.1 to 3.

7. Perused the record.

8. The only contention of the appellant is that, the respondents are not entitled to receive an amount of Rs.3,00,000/- towards loss of love and affection and an amount of Rs.1,00,000/- towards loss of expectancy of life as per the judgment rendered by the Hon'ble Apex Court in ***National Insurance Company Ltd., Vs. Pranay Sethi and Ors,*** and the Tribunal without properly appreciating the case, awarded the said amount.

9. Before going into the contention raised by the counsel for appellant, it is just and necessary to see that whether the tribunal had awarded just

compensation to the respondents in accordance with law or not. In this regard, on perusal of the order under challenge, it is evident that, though the respondents have claimed that the deceased was working as mason and earning an amount of Rs.20,000/- per month, apart from doing cultivation, the Tribunal disbelieved the same and notionally fixed the income of the deceased as Rs.9,000/- per month. The said finding of the Tribunal is not sustainable under law inasmuch as, as per Rule 25 (v)(b) of the AP Contract Labor (R&A) Rules, 1971, the Government from time to time notified determining the Minimum Wages and Variable Dearness Allowance (VDA) *vide* Gazette No.1149, dated 13.03.2017. In continuation thereof, the Minimum Wages and VDA payable from 01.04.2017 to 30.09.2017, was fixed for various labourers including Highly Skilled, Skilled, Semi-Skilled, and Un-Skilled and Office Staff. On perusal of the same, mason was placed under Skilled Labour and the wage per month was considered as Rs.11,670/-. In that view of the matter, the Tribunal ought to have considered the income of the deceased as Rs.11,670/- per month.

10. Though, this Court is in agreement with the arguments advanced by the counsel for the appellant that the petitioners are not entitled to receive compensation of Rs.3,00,000/- towards love and affection and Rs.1,00,000/- towards loss of expectancy of life, as per the judgments of the Apex Court, the Tribunal erred in taking the income of the deceased

as Rs.9,000/- per month, despite the fact that the Government of Andhra Pradesh has fixed the Minimum Wage of mason as Rs.11,670/- per month. Therefore, taking into consideration of the same, the entitlement of the petitioners is determined in the table given below:

Description of the Head	Amount Entitled in Rupees
Net Annual Income	Rs.11,670x12=Rs.1,40,040/-
Future Prospects (at the age of 45 years)	Rs.35,010/- (i.e., 25% of the Income)
Total Income	Rs.1,75,050/-
Deduction towards personal expenditure (i.e., 1/3 rd)	Rs.58,350/-
Total Annual Loss of Dependency	Rs.1,16,700/-
Multiplier of 14 for the age 45 years	Rs.16,33,800/- (14x1,16,700)
Conventional Heads:	
(i) Loss of consortium (3 claimants)	Rs.1,20,000/- (3x40,000)
(ii) Loss of Estate	Rs.15,000/-
(iii) Funeral Expenses	Rs.15,000/-
Total Compensation	Rs.17,83,800/-

11. Though, the tribunal has granted an amount of Rs.17,55,000/- as compensation, this Court is of the opinion that, while determining the

income of the deceased, the Tribunal did not take into consideration the factum of fixation of minimum wages by the Government of Andhra Pradesh. Therefore, following the same, this Court has re-determined the compensation as aforesaid, inasmuch as the claimants have to receive just compensation. Further, this Court consistently is awarding interest at 7.5% per annum, whereas in the case on hand, the Tribunal has awarded interest at 6% per annum. In view of the above, the interest component enhanced from 6% to 7.5% per annum and the appellant is directed to pay compensation together with interest at 7.5% per annum from the date of petition till the date of realization.

12. For the aforesaid reasons, there are no merits in the appeal and accordingly the same is dismissed. However, the compensation is re-determined as Rs.17,83,800/-, together with interest at 7.5% per annum from the date of petition till the date of realization, and the same has to be paid within two (02) months from the date of receipt of the copy of this order.

There shall be no order as to costs. As a sequel, pending applications, if any, shall stand closed.

JUSTICE T.C.D.SEKHAR

Dt.13.02.2026
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THE HON'BLE SRI JUSTICE T.C.D.SEKHAR

MACMA.No.220 OF 2019

Date: 13.02.2026

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