2025 INSC 193

IN THE SUPREME COURT OF INDIA
CIVIL APPELLATE JURISDICTION

CIVIL APPEAL NO.2324 OF 2025
(Arising out of SLP(C)No. 818/2025)

SHYAM PRASAD NAGALLA & ORS. .....APPELLANT(S)

VERSUS

THE ANDHRA PRADESH STATE BOARD TRANSPORT CORPORATION & ORS. … RESPONDENT(S)

O R D E R

Time taken for disposal of the original claim petition by MACT	Time taken for disposal of the appeal by the High Court	Time taken for disposal of the appeal in this Court
2 years	9 years	2 months

Leave granted.

2. This Appeal is directed against the judgment and order dated 7th June 2024, passed in M.A.C.M.A. No.1248 of 2015 passed by the High Court of Telangana at Hyderabad. Impugned before it, in turn, was a judgment and order of the XXVII Additional Chief Judge-cum-Chairman,

MACT at Secunderabad, dated 27th December 2014 in MVOP No.416 of 2012.

3. The Claimant-Appellants in the present Petition are the Husband and two Daughters of the deceased Lakshmi Nagalla. The brief facts giving rise to this Appeal are that on 13th June 2009, the deceased Lakshmi Nagalla, aged 43 years, was travelling with her family in a Honda City Car bearing registration No.AP 37 AL 7227 from Annavaram to Rajahmundry. Upon reaching the circle leading to Prathipadu, the offending vehicle bearing No.AP 11 Z 860, owned and operated by Respondent No.1, approached from the opposite direction while driving in a rash and negligent manner and collided with the Appellant's car. This collision resulted in the instantaneous death of the deceased, Lakshmi Nagalla and inflicted multiple injuries upon the other occupants of the vehicle.

4. A claim petition was filed by the Appellants (dependants of Lakshmi) before the Tribunal seeking compensation to the tune of Rs.9,00,00,000/-, submitting therein that the deceased Lakshmi Nagalla got her Master's Degree in Computer Science from Southern College of Technology University of Georgia (U.S.A) and was a permanent resident of U.S.A., earning a monthly income in U.S Dollars, i.e., $11,600 working as a Software Engineer in K-FORCE Services Corporation, U.S.A and as a Real Estate commission salesperson in the State of Georgia.

5. The Tribunal, by its order, held that Respondent No.1 herein - the Andra Pradesh State Road Transport Corporation, was liable to pay an amount of Rs.8,03,42,476/- ($16,88,960) along with interest @ 7.5% per annum by considering the monthly income of the deceased at $11,600 per month after deduction of income tax and fixing the future prospects at 30%. The Tribunal also granted an additional amount of Rs.2,35,000/- towards conventional heads totalling the entire amount of compensation to be Rs.8,05,77,476/-.

6. Being aggrieved by the amount of compensation awarded, Respondent No.1/Transport Corporation filed an appeal before the High Court, on the ground that the Tribunal has incorrectly held the offending vehicle to be driving rashly and a multiplier of 14 has been incorrectly applied.

7. The High Court, vide the impugned order, affirmed the findings of the Tribunal on the monthly income of the deceased, being $11,600. The multiplier to be applied was reduced from 14 to 10 on account of the deceased earning in foreign currency in accordance with the decision of this Court in ***United India Insurance Company Ltd & Ors. v. Patrica Jean Mahajan***[1]. A sum of Rs.5,75,68,982/- was awarded.

1 (2002) 6 SCC 281

8. Yet dissatisfied, the Claimant-Appellant is now before us. The major issue that arise for consideration, as recorded in our order dated 3rd January, 2025 are :-

a) Whether the petitioner would be entitled to compensation at the exchange rate of currency as on the date of the accident or on the date of the filing of the Petition?

b) Whether the High Court was justified in reducing the multiplier to '10' from '14' as taken by the Tribunal?

9. We have heard the learned counsel for the Appellant. The Respondents have not entered appearance, despite service. On the first issue, this Court in ***Jiju Kuruvila v. Kunjujamma Mohan***[2] had observed that the date of filing of the claim petition is the proper date for fixing the rate of exchange for computing compensation. This exposition has been followed in ***DLF Ltd. v. Koncar Generators & Motors Ltd.***[3]. The conversion rate is therefore fixed at Rs.57/-, which was the prevalent figure at the time of filing the claim petition.

10. On the second issue, as per ***National Insurance Co. Ltd. v. Pranay Sethi***[4] the law is settled that the multiplier for a person aged 43 must be 14. No exception is made for a person earning in foreign currency.

2 (2013) 9 SCC 166
3 2024 SCC OnLine SC 1907
4 (2017) 16 SCC 680

In view of the aforesaid, the compensation now payable to the claimant-appellant would be recalculated as under:

FINAL COMPENSATION

S.No.	Compensation Heads	Amount Awarded	In Accordance with:
1.	Monthly Income in Dollars	$ 11,600	***National Insurance Co. Ltd. v. Pranay Sethi*** (2017) 16 SCC 680 *Para 42 & 59*
2.	Yearly Income	11,600 x 12 = $ 1,39,200	
3.	Future Prospects (30%)	1,39,200 + 41,760 = $ 1,80,960	
4.	Deduction (1/3) *3 Dependents*	1,80,960 – 60,320 = $ 1,20,640	
5.	Multiplier (14) *age 43 years*	1,20,640 x 14 = $ 16,88,960	
6.	Conversion Amount in Indian Rupees at rate of Rs. 57 in years 2012.	16,88,960 x 57 **= Rs.9,62,70,720/-**	
7.	Loss of Estate	Rs.18,150/-	
8.	Loss of Funeral Expenses	Rs.18,150/-	
9.	Loss of consortium	48,400 x 3= Rs.96,8900/-	
	TOTAL	**Rs.9,64,52,220/-**	

Thus, the difference in compensation is as under:

MACT	High Court	This Court
Rs.8,03,42,476/- ($ 16,88,960)	Rs.5,75,68,982/- ($12,06,400)	Rs.9,64,52,220/- ($ 16,88,960)

11. The Civil Appeal is allowed in the aforesaid terms. The impugned award dated 27th December 2014 passed in MVOP No.416 of 2012 by the XXVII Additional Chief Judge-cum-Chairman, MACT at Secunderabad, as modified vide the impugned order, stands further modified in terms of the above. Interest is to be paid as awarded by the Tribunal.

Pending application(s), if any, shall stand disposed of.

……J.
(SANJAY KAROL)

…….J.
(PRASHANT KUMAR MISHRA)

February 11, 2025;
New Delhi.