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C.M.Ano.1961 of 2026

IN THE HIGH COURT OF JUDICATURE AT MADRAS
DATED : 31.07.2026

Coram

**The Hon'ble Mr.Justice N.Sathish Kumar
and
The Hon'ble Mr. Justice M.Jothiraman**

**CMA No. 1961 of 2026
and
C.M.P.No.15311 of 2026**

M/sNational Insurance Company Limited
Regina Mansion,
No.46, Moore Street,
Parrys, Chennai-600 001.

..Appellant

Vs

1. K.Sundarrajan,
2. R Thiyagarajan
3. The Managing Director
TNSTC, Kumbakonam

..Respondents

Prayer :-

Civil Miscellaneous Appeal filed under Section 173 of the Motor Vehicles Act, 1988 to set aside the Final Award dated 04.12.2025 passed in MCOP No.6844 of 2017, by the Motor Accidents Claims Tribunal, (II Court of Small Causes), at Chennai.



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For Appellant:	Mr.J Michael Visuvasam
For Respondent-1	Mr.R.Sathyanarayanan
For R2 & R3	No appearance

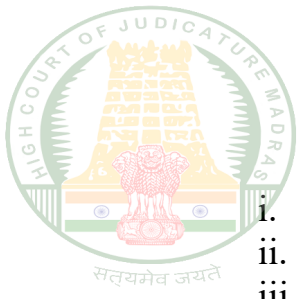
Judgment

(Judgement of the Court was made by **N.Sathish Kumar J.**)

The second respondent/Insurer before the Tribunal, is the appellant herein.

2. The present Appeal is filed assailing the award of compensation of Rs.21,05,550/- to the injured/claimant, viz., the first respondent herein.

3. The Tribunal, on the basis of the findings that the injured was aged about 50 years and was earning Rs.25,000/- as monthly income and sustained the following injuries viz., Vertical Shear Injury with SCGOLLIAC Joint Disruption Right Side 1 PUBIC Diastasis of Grad ii) Lateral Condyle Tibia Undisplaced” over leg, resulting in 40% disability and was under treatment for more than 1 ½ months, awarded compensation of Rs.21,05,550/- under the following heads:-



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i. Disability	:	Rs.20,28,000/-
ii. Pain and suffering	:	Rs.20,000/-
iii. Transport to Hospital	:	Rs. 4,000/-
iv. Medical Expenses	:	Rs.12,750/-
v. Extra nourishment	:	Rs.20,000/-
vi. Attender Charges	:	Rs. 9,800/-
vii.Damages to Clothes	:	Rs.1,000/-
viii.Loss of Amenities	:	Rs.10,000/-

Total : Rs.21,05,550/-

4. It is contended by Mr.J Michael Visuvasam, the learned counsel appearing for the appellant/Insurance Company that the first respondent/injured, despite sustaining 40% disability is still continue to work as Conductor in the respondent-Tamil Nadu State Transport Corporation Ltd, however, the Tribunal has failed to take into consideration of the said vital aspect while determining the compensation under the head, 'Disability/Loss of Earning Power' and such method, according to the learned counsel has resulted in awarding exorbitant amount under the said head, and therefore, urged us to make suitable reduction.

5. Per contra, Mr.R.Sathyanarayanan, learned counsel for the first respondent/claimant has contended that the Tribunal, on the basis of the



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averments raised in the Claim Petition, and on the basis of the evidence of the petitioner as P.W.1, fixed his notional monthly income at Rs.25,000/- and rightly determined the compensation towards 'Loss of Earning Power/Disability' with reference to 40% disability assessed by the Doctor by applying the multiplier method as per the ratio laid down by the Hon'ble Supreme Court *in re (Sarla Verma Vs. Delhi Transport Corp.)* reported in **(2009) 6 S.C.C. 121**, which requires no interference and sought for dismissal of the Appeal filed by the appellant-Insurance Company.

6. After the matter was argued by the learned counsel for the parties for a considerable length of time and the learned counsel for the appellant-Insurance Company objection is only with regard to the quantum of compensation awarded under the head "Loss of Earning Capacity" as high and excessive, however, during the course of such arguments, the learned counsel for the appellant-Insurance Company fairly submits that the matter could be given a quietus, and that the appellant is willing to pay a sum of Rs.15,00,000/- as full quit towards full and final settlement. The suggestion putforth by the learned counsel for the appellant-Insurance Company merits



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consideration. In fact, the learned counsel for the first respondent/injured claimant would submit that he has no objection for such course being adopted

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7. *Apropos*, it is also brought to our notice that when the Appeal was entertained on 30.06.2026, this Bench has granted an order of interim stay subject to the *proviso* requiring the appellant-Insurance Company to deposit a sum of Rs.11,00,000/- before the Tribunal and in compliance with the said conditional order, the appellant-Insurance Company has already deposited the said sum of Rs.11,00,000/-, and therefore, submits that the balance sum of Rs.4,00,000/- would be deposited to the credit of the aforesaid Claim Petition within a period of two weeks and thus, seeks for appropriate orders.

8. We have heard Mr.J Michael Visuvasam, the learned counsel appearing for the appellant/Insurance Company and Mr.R.Sathyanarayanan learned counsel for the first respondent/claimant. So far as respondents 2 and 3 are concerned, despite service effected on them is awaited, considering the fact that the second respondent, owner of the vehicle has already been set



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ex parte before the Tribunal and the third respondent is only the Employer of the first respondent, we are proceeding to dispose of the Appeal based on the consensus arrived at between the rival parties, viz., the appellant and the first respondent.

9. Accordingly, this Civil Miscellaneous Appeal is disposed of in terms of the aforesaid oral consensus arrived at between the parties, (viz., the appellant-Insurance Company and the first respondent-claimant). Thus, as agreed before us, the appellant-Insurance Company is directed to deposit a sum of Rs.4,00,000/- (Rupees Four Lakh only) to the credit of M.C.O.P.No.6844 of 2017, on the file of Motor Accidents Claims Tribunal, II Court of Small Causes, Chennai, within a period of two (2) weeks from the date of receipt of a copy of this Judgement. As and when such deposit is made, first respondent/claimant is permitted to withdraw the entire amount less than the amount already withdrawn, if any, by filing an application before the Tribunal, which shall be entertained by the Tribunal and the Tribunal is directed to release the amount by way of issuing the cheque to



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the first respondent, by name, K.Sundarrajan forthwith without any further delay.

10. It is made clear that in case of any failure or delay on the part of the appellant-Insurance Company in complying the aforesaid direction, they are liable to pay interest at the rate of 12% which would be reckoned from the date of such delay till the date of deposit. No costs. Consequently, connected miscellaneous Petition is closed.

(N.S.K.J.) (M.J.R.J.)
31.07.2026

sd

Index : yes/no

Neutral Citation : yes/no

Note : Issue/Upload a copy of this order by today
(03.08.2026)

To

1. The II Judge, Court of Small Causes,
Motor Accidents Claims Tribunal, Chennai.
2. The Managing Director
TNSTC, Kumbakonam



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**N.Sathish Kumar,J
&
M.Jothiraman,J.,**

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