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CMA.No.2640 of 2025

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 16-07-2026

CORAM

THE HON'BLE MR JUSTICE N. ANAND VENKATESH

Civil Miscellaneous Appeal No.2640 of 2025

1. T.Rajadurai, W/o.Thangaraj,
Residing at No.6.7.89, South Street,
Kilasurandai, Surandai,
Tirunelveli - 627 859.
2. A.Siya Meena, W/o. Rajadurai,
Residing at No.6.7.89, South Street,
Kilasurandai, Surandai,
Tirunelveli - 627 859.
3. R.S.Raja Maran (Minor)
Minor appellant rep. by his mother as
natural guardian and next friend Siya
Meena, Residing at No.6.7.89,
South Street, Kilasurandai, Surandai,
Tirunelveli - 627 859.

...Appellants

Vs

1. Palani Nadar.S
S/o. Subbiahnadar, No.1/7/65th
Street, Surandai, VK Puthur Taluk,
Tenkasi, Tirunelveli - 627 859.
2. SBI General Insurance Co.Ltd.,
No.82, Good Shepherded Square Building,
A-Block, 3rd Floor, Kodambakkam High
Road, Nungambakkam, Chennai - 600 034.

...Respondents

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APPEAL under Section 173 of the Motor Vehicles Act, 1988
against the award dated 31.1.2025 made in MCOP.No.2513 of 2023
on the file of the Motor Accidents Claims Tribunal/Special Sub Court-
I, Small Causes Court, Chennai.

For Appellants: Mr.N.Vijayaraghavan for
Mr.M.Lokesh

For Respondents: M/s.B.Murugavel for R2
R1 - served

JUDGMENT

This appeal has been filed by the appellants - claimants
against the award dated 31.1.2025 made in MCOP.No.2513 of 2023
on the file of the Motor Accidents Claims Tribunal/Special Sub Court-
I, Small Causes Court, Chennai (for short, the Tribunal below)
seeking for enhancement of compensation.

2. Heard the learned counsel appearing on behalf of the
appellants - claimants and the learned counsel appearing for the
second respondent - Insurance Company.



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3. The first appellant – first claimant is the father; the second appellant – second claimant is the mother; and the third appellant – third claimant is the minor brother of one R.S.Raja Mugan (minor) since deceased.

4. The case of the appellants – claimants is as follows:

(i) On 23.11.2022, the said minor – R.S.Raja Mugan was standing in front of a grocery store at Kila Surundai Pillayar Koil Street and at about 5.30 PM, the offending vehicle, which was a Mahindra Swaraj tractor, was driven in a rash and negligent manner and dashed on him, as a result of which, the said minor R.S.Raja Mugan died on the spot. It was under those circumstances, the claim petition came to be filed before the Tribunal below. The first respondent is the owner of the offending vehicle and the second respondent is its insurer.

(ii) The Tribunal below, on considering the facts and circumstances of the case and on appreciation of the evidence, came to the conclusion that the accident had taken place only due to the rash and negligent driving on the part of the driver of the offending vehicle.



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(iii) The Tribunal below, having rendered the above finding, exonerated the second respondent – Insurance Company from liability on the ground that the driver of the offending vehicle did not possess a valid driving licence. Accordingly, the liability has been fixed on the first respondent.

(iv) Ultimately, the Tribunal below fixed the total compensation amount under the following heads:

<i>S.No.</i>	<i>Head</i>	<i>Amount</i>
1	<i>Total loss of dependency</i>	<i>Rs. 5,40,000/-</i>
2	<i>Loss of consortium</i>	<i>Rs. 1,20,000/-</i>
3	<i>Loss of estate</i>	<i>Rs. 15,000/-</i>
4	<i>Funeral expenses</i>	<i>Rs. 15,000/-</i>
5	<i>Transport charges</i>	<i>Rs. 5,000/-</i>
	<i>Total</i>	<i>Rs. 6,95,000/-</i>

(v) The said sum of Rs.6,95,000/- was directed to be paid by the first respondent together with interest at the rate of 7.5% per annum from the date of claim petition till realization. Aggrieved by that, this appeal has been filed before this Court.

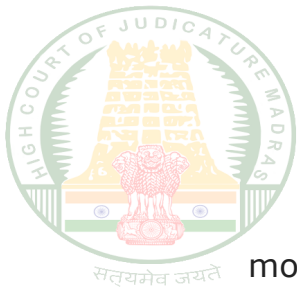
5. This Court has carefully considered the submissions of the learned counsel on either side and perused the materials available on record and more particularly the impugned award.



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6. In the case on hand, the policy had been issued before the amendment came into force and the accident had taken place after the amendment came into force. Hence, the Tribunal below ought to have applied the principle of pay and recovery in the light of the judgment of the Hon'ble Apex Court in the case of ***National Insurance Co. Ltd Vs. Swaran Singh [reported in (2004) 3 SCC 297]***. Hence, the finding of the Tribunal below exonerating the second respondent – Insurance Company from the liability is liable to be set aside and is accordingly set aside. Instead, the second respondent – Insurance Company can be directed to pay the entire compensation amount to the appellants – claimants and it can be recovered from the first respondent – owner of the offending vehicle.

7. In so far as the issue of quantum of compensation is concerned, the Tribunal below fixed only a sum of Rs.3,000/- towards notional monthly income. Considering the fact that the accident had taken place in 2022 and the fact that the sum of Rs.3,000/-, which was fixed by the Courts during the earlier periods cannot continue for ever, this Court is inclined to fix the notional



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monthly income at Rs.5,000/-. Accordingly, the compensation under the head 'loss of dependency' is calculated as follows:

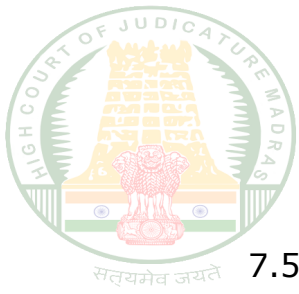
$$\text{"Rs.5,000/-} \times 12 \times 15 = \text{Rs.9,00,000/-."}$$

8. In the considered view of this Court, the compensation granted under other heads is just and reasonable and does not require the interference of this Court.

9. In the light of the above discussions, the above civil miscellaneous appeal is partly allowed and the award dated 31.1.2025 in MCOP.No.2513 of 2023 on the file of the Tribunal below is modified in the following manner:

<i>S.No.</i>	<i>Head</i>	<i>Amount awarded by the Tribunal below</i>	<i>Amount awarded by this Court in this judgment</i>
1	<i>Total loss of dependency</i>	<i>Rs. 5,40,000/-</i>	<i>Rs. 9,00,000/-</i>
2	<i>Loss of consortium</i>	<i>Rs. 1,20,000/-</i>	<i>Rs. 1,20,000/-</i>
3	<i>Loss of estate</i>	<i>Rs. 15,000/-</i>	<i>Rs. 15,000/-</i>
4	<i>Funeral expenses</i>	<i>Rs. 15,000/-</i>	<i>Rs. 15,000/-</i>
5	<i>Transport charges</i>	<i>Rs. 5,000/-</i>	<i>Rs. 5,000/-</i>
	<i>Total</i>	<i>Rs. 6,95,000/-</i>	<i>Rs.10,55,000/-</i>

The second respondent – Insurance Company is directed to deposit the said sum of Rs.10,55,000/- together with interest at the rate of



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7.5% per annum from the date of claim petition till realization, within six weeks from the date of receipt of a copy of this judgment.

On such deposit, the appellants – claimants are entitled to withdraw the amount together with accrued interest as per the proportion fixed by the Tribunal below. The second respondent – Insurance Company is entitled to recover the entire compensation amount as awarded in this appeal along with accrued interest from the first respondent – owner of the offending vehicle. No costs.

16-07-2026

To

- 1.The Motor Accidents Claims Tribunal/
Special Sub Court-I, Small Causes Court,
Chennai
- 2.SBI General Insurance Co.Ltd.,
No.82, Good Shepherded Square Building,
A-Block, 3rd Floor, Kodambakkam High
Road, Nungambakkam, Chennai-600034.

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