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IN THE HIGH COURT OF JUDICATUE AT MADRAS

DATED : 21.06.2017

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THE HONOURABLE DR. JUSTICE S.VIMALA

C.M.A. No.2225 of 2017

and

C.M.P.No. 11812 of 2017

National Insurance Co. Limited,
Krishnagiri Branch.

.. Appellant/2nd Respondent

-/Vs/-

1. Aaji

2. T.Subramanian

.. Respondents/Petitioner &
1st Respondent

Appeal filed under Section 173 of the Motor Vehicles Act, 1988 to set aside the Judgment and Decree dated 03.04.2006 made in M.A.C.T.O.P.No.1657 of 2003 on the file of the Motor Accidents Claims Tribunal, Sub-Court, Krishnagiri.

For Appellant : Mr.S. Arunkumar

J U D G M E N T

The claimant Aaji, aged 18 years, a motor cycle mechanic, earning a sum of Rs.3000/- (Rupees Three Thousand Only) per month, met with an accident on 27.08.2002 and sustained grievous injuries. Therefore, he filed a claim petition claiming a sum of Rs.3,00,000/- as compensation.

2. The Tribunal, on consideration of oral and documentary evidence, awarded a sum of Rs.2,52,000/-, the break-up details of which is as under :-

For injuries	:	Rs. 60,000/-
Pain and Suffering	:	Rs. 60,000/-
Permanent disability	:	Rs.1,00,000/-
Loss of earning power	:	Rs. 10,000/-
Medical Expenses	:	Rs. 15,000/-
Extra Nourishment	:	Rs. 2,000/-
Transport Expenses	:	Rs. 2,000/-
Partial loss of income	:	Rs. 3,000/-

Total

Rs.2,52,000/-



3. The insurance company has raised the following objections with regard to the award passed.

(ii). The claims tribunal failed to note that the alleged injuries and disability will not affect the earning power, muchless, when the 1st respondent has not produced any documentary evidence for loss of earnings.

4. A perusal of the materials available on record reveals that the claimant has suffered fracture of right elbow and right leg. The claimant has also suffered injury on the private parts. The doctor, who treated the claimant, has assessed the disability at 30%. Considering the nature of injury, period of treatment, the expenses incurred towards medical treatment and the future medical expenses, the pain and suffering suffered by the claimant the Tribunal has awarded a sum of Rs.2,52,000/- as total compensation under the heads noted above.

6. Though the award may look to be and on the higher side on the above heads keeping in mind the fact that the accident had happened in the year 2002, however, the passage of time till 2017, almost a decade and a half has passed since the date of the accident, the inflation and the spiraling cost has eroded the money value. Therefore, the compensation awarded is hardly



adequate in the face of spiraling inflation and surge in cost of living. Inflation is naturally compounding, and a relentless destroyer of the value of money. This view has been expressed by the Supreme Court in the case of *Rathi Menon v. Union of India* 2001 (2) KLT 12: (2001 AIR SCW 1074), wherein considering the value of money etc., the Supreme Court held that compensation shall be payable on the basis of rules prevailing at the time of making the final order for payment of compensation and not on the money value which prevailed on the date of accident because of the increase in the cost of price and the reduction of money value, the award has to be confirmed. Even otherwise, the award of Rs.60,000/- for injuries, would be redistributed towards cost of attendant, loss of income for 4 months and loss of enjoyment of amenities.

7. In such view of the matter, this Court is of the considered opinion that the compensation awarded by the Tribunal cannot be said to be excessive or disproportionate under any of the heads and the same requires to be confirmed.

8. For the reasons aforesaid, this appeal is liable to be dismissed and, accordingly, the same is dismissed. Consequently, connected miscellaneous petition is closed.

9. The appellant/Insurance company is directed to deposit the entire award amount, along with interest and costs as quantified by the Tribunal, less the amount, if any, already deposited, to the credit of the claim petition, within a period of four weeks from the date of receipt of a copy of this Judgment. On such deposit being made, the Tribunal shall transfer the award amount directly to the bank account of the claimant through RTGS within a period of two weeks thereafter.

Sd/-

Assistant Registrar(CS V)

//True Copy//

Sub Assistant Registrar

ksa/GLN

To

1. The Subordinate Court,
Motor Accident Claims Tribunal

C.M.A. No.2225 of 2017

PA(CO)
CS/12/06/18