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**BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT**

**DATED: 12.04.2024**

**CORAM**

**THE HON'BLE MRS.JUSTICE S.SRIMATHY**

**C.M.A(MD)No. 438 of 2014**

The Branch Manager,  
M/s. United India Insurance Company Limited,  
72.A, Salai Road,  
Trichy & District.

... Appellant

**Vs.**

1. Minor Esakkimuthu

2. Minor Nainar

*[Both Minors are represented by their Grandmother and Guardian Arunachalam]*

3. Krishnan

... Respondents

**PRAYER:** Civil Miscellaneous Appeal is filed under Section 173 of Motor Vehicles Act, against the Judgment and Decree, dated 25.03.2013 made in MCOP.No.899 of 2010 on the file of the Motor Accident Claims Tribunal (III Additional District Court, Tirunelveli.

For Appellant : M/s.B.Rajesh Saravanan

For Respondents : No appearance



## **JUDGEMENT**

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The Insurance Company has preferred this Civil Miscellaneous Appeal against the Judgment and Decree, dated 25.03.2013 made in M.C.O.P.No.899 of 2010 on the file of the Motor Accident Claims Tribunal - III Additional District Court, Tirunelveli.

2. The contention of the Insurance Company is that the Tribunal has passed an order o 'Pay and Recovery', since the Tribunal has no power to pass such Orders. It is seen that earlier the Tribunal was not having power, but subsequently it was held in several decisions that the Tribunal has such power.

3. The further contention is that while granting compensation the Tribunal has fixed 8% interest, which is on the higher side. It is a settled proposition of Law that the interest can be fixed only with 7.5%. Therefore, this Court is modifying interest with 7.5% alone. The rest of the award passed by the Tribunal is hereby confirmed.

4. To that extent only, this Civil Miscellaneous Appeal is partly allowed. The Insurance company is directed to deposit the compensation amount granted by the Tribunal with 7.5 % interest along with Costs, within a period of 8 weeks from the date of receipt of a copy of the order, less the



amount if already deposited. On such deposit, the minor claimants are entitled to equal share and the same shall be deposited in anyone of the Nationalized bank till they attains majority. After depositing, the Insurance company is entitled to recover the same from the owner of the vehicle. No Costs.

**12.04.2024**

NCC : Yes / No  
Index : Yes / No  
Internet : Yes / No  
KSA

To

1. The Motor Accident Claims Tribunal/  
(III Additional District Court,  
Tirunelveli.
2. The Section Officer,  
Vernacular Section,  
Madurai Bench of Madras High Court,  
Madurai.



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**S.SRIMATHY, J.**

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Order made in  
**C.M.A(MD)No. 438 of 2014**

**12.04.2024**