WEB COPY

IN THE HIGH COURT OF JUDICATURE AT MADRAS
DATED : 14.02.2025
CORAM:
THE HONOURABLE MR. JUSTICE R.SURESH KUMAR
AND
THE HONOURABLE DR. JUSTICE A.D.MARIA CLETE
CMA NO.719 OF 2022

The Branch Manager,
Royal Sundaram General Insurance Company Limited,
No.122, 2nd floor, Natesan Nagar,
Natesan towers, Ellaipillaichavady,
Puducherry. ... Appellant / 2nd Respondent

Vs.

1. Usha, W/o. Late Murali,
2. Sri Devi Amma W/o. Sankara Narayanan,
Both are residing at Vadakkekulath Panjal,
Panjal, Cheruthuruthy, Thissur,
Kerala – 679 531.
... Respondents 1 & 2 / Petitioners

3. S.Madan Kumar,
S/o. Sekar, No.152,
Vinayagar Kovil Street,
Mel Kumaramangalam,
Panruti Taluk, Cuddalore District.
... 3rd Respondent / 1st Respondent

PRAYER : Civil Miscellaneous Appeal filed under Section 173 of Motor Vehicles Act, 1988, praying to set aside the Award dated 30.09.2021 made in M.C.O.P.No.423 of 2016 on the file of the Motor Accidents Claims Tribunal, III Additional District Judge, Presiding Officer Motor Accident Claims Tribnnal, Pondicherry.

https://www.mhc.tn.gov.in/judis

WEB COPY

For Appellant : Mr.M.B.Raghavan
for M/s.B.Gopalan Associates
For R1 & R3 : No appearance
For R2 : Died

JUDGMENT

(Judgment of the Court was delivered by Dr.A.D.MARIA CLETE, J.)

This appeal has been preferred by the Insurance Company against the order of the Motor Accident Claims Tribunal (MACT) dated 30.09.2021 in MACTOP No.423 of 2016.

2. In the said case, the first petitioner is the mother of the deceased, and the second petitioner is the maternal grandmother.

3. On 26.11.2025, the deceased was travelling on a two-wheeler (Reg. No. PY-01-BL-8344) along with a pillion rider when a lorry (Reg.No. TN-31-AH-6244), driven in a rash and negligent manner, suddenly entered the main road and collided with the two-wheeler, resulting in an accident. The victim succumbed to injuries while being transported to the hospital. Subsequently, a compensation claim was filed before the Tribunal.

4. The Tribunal awarded a compensation of Rs. 71,37,960/-. While determining the quantum of compensation, it deducted one-third (1/3rd) of the deceased's income towards personal and living expenses to arrive at the

https://www.mhc.tn.gov.in/judis

WEB COPY

monthly income.

5. The sole contention urged before us by the Appellant is that the Tribunal erroneously applied a one-third (1/3rd) deduction instead of one-half (1/2), considering that the deceased was a bachelor as held in *National Insurance Company Limited Vs. Pranay Sethi and Others (2017) 16 SCC 680.* It was also pointed out that the Tribunal erred in awarding only 40% towards prospects**,** whereas it ought to have awarded 50%**,** following the principles laid down by the Apex Court. Accordingly, the appellant sought modification of the award for the quantum of compensation by revising the monthly income and prospects quantum arrived at by the Tribunal.

6. It is a well-established principle, as laid down by the Apex Court in Sarla Varma, that when a bachelor dies, a 50% deduction must be made from their income for personal and living expenses, as it is presumed that bachelors tend to spend more on themselves. In support of this, the appellant's counsel relied on the *Pranay Sethi* cited supra. The Apex Court has held in *Pranay Sethi* case as follows:

> "*37. Before we proceed to analyse the principle for addition of future prospects, we think it seemly to clear the maze which is vividly reflectible from Sarla Verma, Reshma Kumari', Rajesh and Munna Lal Jain. Three aspects need to*

https://www.mhc.tn.gov.in/judis

WEB COPY

be clarified. The first one pertains to deduction towards personal and living expenses. In paras 30, 31 and 32, Sarla Verma lays down:

> *"30. Though in some cases the deduction to be made towards personal and living expenses is calculated on the basis of units indicated in Trilok Chandra'l, the general practice is to apply standardised deductions. Having considered several subsequent decisions of this Court, we are of the view that where the deceased was married, the deduction towards personal and living expenses of the deceased, should be one-third (1/3rd) where the number of dependent family members is 2 to 3, one-fourth (Y4th) where the number of dependent family members is 4 to 6, and one-fifth (1/5th) where the number of dependent family members exceeds six.*
>
> *31. Where the deceased was a bachelor and the claimants are the parents, the deduction follows a different principle. In regard to bachelors, normally, 50% is deducted as personal and living expenses, because it is assumed that a bachelor would tend to spend more on himself. Even otherwise, there is also the possibility of his getting married in a short time, in which event the contribution to the parent(s) and siblings is likely to be cut drastically. Further,*

https://www.mhc.tn.gov.in/judis

WEB COPY

subject to evidence to the contrary, the father is likely to have his own income and will not be considered as a dependant and the mother alone will be considered as a dependant. In the absence of evidence s dependants, because they will either be independent and earning, or married, or be dependent on the father.

32. Thus even if the deceased is survived by parents and siblings, only the mother would be considered to be a dependant, and 50% would be treated as the personal and living expenses of the bachelor and 50% as the contribution to the family. However, where the family of the bachelor is large and dependent on the income of the deceased, as in a case where he has a widowed mother and large number of younger non-earning sisters or brothers, his personal and living expenses may be restricted to one-third and contribution to the family will be taken as two-third."

"59.5 For determination of the multiplicand, the deduction for personal and living expenses, the tribunals and the courts shall be guided by paras 30 to 32 of Sarla Verma which we have reproduced hereinbefore."

7. We concur with the appellant's contention that the Tribunal should have deducted one-third (1/3rd) instead of one-half (1/2) towards the

https://www.mhc.tn.gov.in/judis

WEB COPY

deceased's personal expenses, considering that the deceased bachelor is survived by his widowed mother and grandmother, with no younger, non-earning siblings. Accordingly, we modify the Tribunal's order as follows:

- Personal Expenses Deduction: Revised to one-third (1/3rd) instead of one-half (1/2).
- Future Prospects: Fixed at 50%.
- Other Heads of Compensation: Remain unchanged as awarded by the Tribunal.

The revised quantum of compensation shall be based on these modifications as follows:

S.No.	Heads	Amount
1	Loss of Income (37,489 + 18744 (50%) = 56233 x 1/2 x 12 x17)	Rs.57,35,766/-
2	Filial consortium for first petitioner	Rs.44,000/-
3	Funeral expenses and loss of Estate	Rs.33,000/-
	Total	Rs.58,12,766/-

8. In the result, the Civil Miscellaneous Appeal is partly allowed and the compensation awarded by the Tribunal viz. Rs.72,15,000/- is hereby reduced to Rs.58,12,766/- (Rupees fifty eight lakhs twelve thousand seven hundred and sixty six only). The appellant / Insurance Company is directed to deposit the reduced compensation along with interest at the rate of 7.5% per annum from the date of petition till the date of deposit, less the amount if any already deposited to the credit of M.C.O.P.No.423 of 2016 on the file of Motor Accidents Claims Tribunal, III Additional District Judge, Pondicherry, within a period of eight (8) weeks from the date of receipt of a copy of this Judgment. On such deposit being made, the petitioners are entitled to withdraw the same by filing proper application. The modified Award amount shall be

https://www.mhc.tn.gov.in/judis

WEB COPY

apportioned among the petitioners in a manner proportionate to the apportionment made by Tribunal. No costs.

[R.S.K., J.] [A.D.M.C., J.]

14.02.2025

Index : Yes / No
Neutral Citation : Yes / No
Speaking Order : Yes / No

To

The Motor Accidents Claims Tribunal,

III Additional District Judge,

Presiding Officer Motor Accident Claims Tribnnal,

Pondicherry.

R.SURESH KUMAR

https://www.mhc.tn.gov.in/judis

WEB COPY

AND

DR. A.D.MARIA CLETE

av

CMA NO.719 OF 2022

14.02.2025

https://www.mhc.tn.gov.in/judis