IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 25.02.2026

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THE HONOURABLE MRS. JUSTICE K.GOVINDARAJAN THILAKAVADI

C.M.A.No.358 of 2026

and

C.M.P.No.4391 of 2026

The Manager,
New India Assurance Co. Ltd.,
TP Cell,
No.232, Bombay Mutual Buildings, 6th Floor,
NSC Bose Road,
Parrys, Chennai – 600 001.

Now at
Motor Third Party Claims Hub,
No.232, 6th Floor Bombay Mutual Buildings,
NSC Bose Road,
Chennai – 600 001. …Appellant

Vs.

1. Kamalam
2. Goutham
3. Lavanya
4. Chokammal
5. S. Vijay … Respondents

PRAYER: This Civil Miscellaneous Appeal is filed under Section 173 of Motor Vehicles Act,1988, against the Award and decree dated 05.04.2024 made in M.C.O.P No.3652 of 2021 on the file of the Motor Accident Claims Tribunal VI Judge, Court of Small Causes, Chennai.

For Appellant : Mr. Sankaranarayanan Palani
For Respondents : Mr. U. Chithambaram for R1 to R3

JUDGMENT

This Appeal is directed against the award dated 05.04.2024 made in M.C.O.P No.3652 of 2021 on the file of the Motor Accident Claims Tribunal VI Judge, Court of Small Causes, Chennai.

2. Shortly stated, on 21.07.2021 at about 7.30 pm., the deceased, Boopathi was walking on the left side of the road near Kungumam Company, Kollumedu Village, when a two wheeler bearing Registration No.TN-18-AH-8599 driven by its driver in a rash and negligent manner, came at a high speed from Arani-Puduvayal road and hit the deceased. Due to the accident, he had sustained grievous injuries and was immediately taken to Ponneri Government Hospital and thereafter was shifted to Government Stanly Hospital, Chennai, for further treatment but died without responding to any treatment. The 5th respondent is the owner/driver of the two wheeler and the appellant is the insurer and hence, both are jointly and severally liable to pay the

compensation to the respondents 1 to 4 with interest and cost. The wife and children of the deceased have filed the claim petition for his death, seeking a sum of Rs.49,00,000/- as compensation.

3. The claims Tribunal awarded a compensation of Rs.91,53,559/-. Aggrieved by the quantum of compensation, the appellant/Insurance Company is on appeal.

4. The learned counsel for the appellant/Insurance Company submitted that the Tribunal erred in adopting the income of the deceased at Rs.78,732/- per month while the total earnings of the deceased was only Rs.72,882/- as per Ex.P22- pay slip for the month of May. He further contended that the Tribunal, did not deduct the tax liability of deceased at Rs.50,474/- for the FY 2021-2022 after adding future prospects to the annual income. Hence, prayed for setting aside the Order made in M.C.O.P.No.3652 of 2021 dated 05.04.2024.

5. On the other hand, the learned counsel for the respondents No.1 to 3 would submit that the Tribunal, upon considering the facts and circumstances of the case, has awarded just compensation, which warrants any interference by this Court.

6. The findings of the learned Tribunal regarding the involvement of the vehicle in question, the negligence of the respondent No.5, driver of the vehicle, and the deceased having sustained fatal injuries which ultimately resulted in his death, are not disputed by the appellant in the claim petition. The claimants have not filed any appeal for enhancement. Even otherwise, the income fixed by the Tribunal at Rs.78,732/- seems just and reasonable. Hence, the findings of the Tribunal in this regard are affirmed.

7. Now, the question arises as to whether the Tribunal failed to note the tax liability of the deceased for the FY 2021-2022 on the total earnings which would approximately be Rs.50,474/- and erred in not deducting the same.

8. On a perusal of the impugned Order, it is seen that as the annual income of the deceased was calculated at Rs.10,86,492/- the tax liability of Rs.50,474/- has to be deducted. Hence, considering the year of accident, this Court deems it fit to fix the monthly income of the deceased at Rs.78,732/-. It is appropriate to deduct only 1/3 towards the personal and living expenses of the deceased. Since the age of the deceased at the time of accident was 52, the proper multiplier would be 11 and future prospects should be taken at 15%.

Hence, the loss of dependency is calculated as under:

Calculation

Notional Income = Rs.78,732/-

10% Future prospects = Rs.11,809/-
= Rs.90,541 x 12
= Rs.10,86,492/-

After deducting Income Tax = Rs.9,94,194/-
1/4th deduction = Rs. 2,48,548/-
= Rs.7,45,646/-

Loss of dependency = Rs.7,45,646/- x 11
= Rs.82,02,106/-

9. Considering the facts and circumstances of the case, the compensation awarded by the Tribunal, under various heads, is modified by this Court as follows:

S. No.	Description	Amount awarded by Tribunal (Rs.)	Amount awarded by this Court (Rs.)	Amount reduced/ enhanced/ granted
1.	Loss of Dependency	89,63,559	82,02,106	Reduced
2.	Loss of Consortium	40,000	1,60,000	Confirmed

	Parental Filial	80,000 40,000		
3.	Loss of Estate	15,000	15,000	Confirmed
4.	Funeral Expenses	15,000	15,000	Confirmed
	Total	**91,53,559/-**	**83,92,106/-**	**Reduced by Rs.7,61,453/-**

10. In the result,

i. The Civil Miscellaneous Appeal is partly allowed. No costs. Consequently connected miscellaneous petition is closed.

ii. The quantum of compensation awarded by the Tribunal is scaled down from Rs.91,53,559/- to Rs.83,92,106/-.

iii. The appellant/Insurance company is directed to deposit a sum of Rs.83,92,106/- with interest at the rate of 7.5% per annum from the date of claim petition till the date of deposit, within a period of four weeks from the date of receipt of a copy of this order, to the credit of M.C.O.P. No.3652 of 2021 on the file of the Motor Accident Claims Tribunal, VI Judge, Court of Small Causes, Chennai. The appellant/Insurance Company is at liberty to withdraw the excess amount, deposited by them, over and above the compensation awarded by this court.

iv. On such deposit being made, the claimants/1 to 4 respondents are at liberty to withdraw her share as per the apportionment made by the

Tribunal, with costs and interest, after filing a proper petition for withdrawal.

25.02.2026

vsn

Internet:Yes/No
Index:Yes/No
Speaking/Non-speaking order

To:

1. The VI Judge, Court of Small Causes,
   Motor Accident Claims Tribunal, Chennai.
2. The Section Officer,
   V.R. Section, High Court, Madras.

K.GOVINDARAJAN THILAKAVADI, J.

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