BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

RESERVED ON: 12.04.2026

PRONOUNCED ON: 24.06.2026

CORAM

THE HONOURABLE MR.JUSTICE K.MURALI SHANKAR

C.M.A(MD)No.1011 of 2025

1.Nagarajan
2.Silumpayee
3.Kannan : Appellants/Petitioners

Vs.

1.Johnpeter

2.The Branch Manager,
Reliance General Insurance Company Ltd.,
Door No.260, V.V.Complex,
2nd Floor, Aavarampalaiyam Road,
New Sithaputhur,
Coimbatore – 641 044. : Respondents /Respondents

PRAYER:- Civil Miscellaneous Appeal filed under Section 173 of the Motor Vehicles Act,1988 against the fair order dated 21.11.2024, on the file of the Motor Accident Claims Tribunal (To deal with MCOP cases) / Special Subordinate Judge, Dindigul.

For Appellants : Mr.S.Pugalendhi

For Respondents :Ms.K.R.Shivashankari
for R.2

: No Appearance for R.1

JUDGMENT

This Civil Miscellaneous Appeal is directed against the award made in M.C.O.P.No.416 of 2022, dated 21.11.2024, on the fil of the Motor Accident Claims Tribunal / Special Subordinate Court for MCOP cases, Dindigul.

2. The appellants/claimants who were awarded with compensation of Rs.3,80,000/- with interest at 7.5% pa., and costs payable by the second respondent, for the death of one Mrs.Lakshmi consequent to an accident occurred on 20.02.2022, challenged the quantum of compensation awarded at by the Tribunal and claimed enhancement of the same.

3. The learned Counsel for the appellants/claimants would mainly contend that the Tribunal has assessed the age of the deceased as 72 years at the time of accident, that the Tribunal without taking note of the legal position settled by the Hon'ble Supreme Court has erroneously applied multiplier “3” instead of “5”, that the Tribunal though awarded loss of consortium at Rs.44,000/-, has not chosen to award any amount towards loss of love and affection and that the claimants being the husband, son and daughter of the deceased, the Tribunal has committed a grave error in awarding only Rs.44,000/- towards loss of consortium and that therefore, the compensation awarded at by the Tribunal is liable to be interfered with.

4. The learned Counsel for the respondent Insurer would submit that the Tribunal, placing ordinance of the judgment of the Hon'ble Supreme Court in ***Sarla Verma and others Vs. Delhi Transport Corporation and another*** reported in ***2009(2) TNMAC 1 (SC)***,, has rightly applied the multiplier “3”, considering that the deceased was aged 72 years at the time of accident, that the tabular column in ***Sarla Verma's case*** stipulates the multiplier “5” only for the age group of 65 to 70 years

and no specific multiplier has been provided for the persons aged above 71 years and that the Tribunal, taking note of the observation of the Hon'ble Supreme Court in ***Sarla Verma's case*** that the multiplier should ordinarily be reduced by two units for every 5 year increase in age after 50 years, has rightly applied the multiplier of "3" and that the compensation awarded under the other heads is just and reasonable and that therefore, the same is not liable to be interfered with.

5. The learned Counsel for the appellants would place reliance on the decision of this Court in ***Fasilath Begum and another Vs. S.Ganesan and another*** reported in ***2025(2) TN MAC 399***, in support of his contention that the appropriate multiplier for a deceased aged above 71 years is "5".

6. In the said decision, though the Tribunal has applied the multiplier "7", this Court after referring to the decision of the Hon'ble Supreme Court in ***Sarla Verma's case,*** held that the appropriate multiplier was "5" and that the Tribunal had committed an error in applying the multiplier of "7".

7. The learned Counsel for the respondent Insurer would also rely upon the decision of this Court in ***United India Insurance Company Ltd., Vs. Mary Victoria and Others*** reported in ***2020 SCC OnLine Mad 16456,*** in support of his contention that the appropriate multiplier for a deceased aged above 71 years is "3".

8. In the said decision case, this Court, referring to the observation of the Hon'ble Supreme Court in ***Sarla Verma's case*** that the multiplier should be reduced by two units for every five years increase in age after 50 years, held that the appropriate multiplier for the deceased therein was "3" and not "5".

9. In ***Sivakumari and others Vs K.O.Srinivasan and another***, a learned Judge of this Court in C.M.A.No.1969 of 2020, dated 20.01.2021, reversed the finding of the Tribunal that no multiplier of "5" could be applied where the deceased was above 71 years of age and held that the multiplier of "5" is applicable to the persons aged 66 years and above.

10. At this juncture, it is also necessary to refer the decision of the High Court of Tripura at Agartala in ***the National Insurance Company Ltd., Vs. Sadhana Debnath and others (MAC App No.07 of 2023 and CO (FA) No.6 of 2023, dated 05.10.2023)***, wherein a similar issue arose as to the appropriate multiplier applicable to the deceased aged above 71 years and the High Court observed as follows:

> *"13. According to the Pension Payment Order book, on the date of the accident, the age of the deceased was 78 years. So, in terms of the multiplier as made applicable under the table decided at Column No. (4) in Sarla Verma (supra), multiplier 5 is to be applied for the age group of 65 years and above, the same is taken on record. Accordingly, the first point of argument of Mr. Deb, learned counsel appearing for the appellant-Insurance Company is answered in favour of the claimants. Here the argument of Mr. Deb, learned counsel that in Sarla Verma (supra) multiplier 5(five) is allowed up to the age schedule 66 years to 70 years does not stand because the same was said the by Hon'ble Apex Court in the said Judgment in the context of other cases. Therefore, the age of the deceased 78 years is considered as per table 65 years and above and considered the case of the claimants accordingly as there is no restriction up to 70 years. The lifespan as per table*

can be beyond 70 years. Thus, the argument of the Insurance-counsel is rejected."

11. It is pertinent to note that the Second Schedule appended to the Motor Vehicles Act prescribes the multiplier of '5' for persons aged above 65 years. No doubt, in Sarla Verma, the Hon'ble Supreme Court indicated the multiplier of '5' as the last multiplier in the structured table for the age group of 66 to 70 years and did not specifically prescribe any multiplier for persons aged above 71 years. However, the Hon'ble Supreme Court has nowhere observed that a claimant would not be entitled to compensation by adopting the multiplier method merely because the deceased had crossed the age of 71 years.

12. It is settled law that the Motor Vehicles Act is a beneficial and welfare legislation intended to provide just and reasonable compensation to victims of motor accidents and to the dependents of deceased. But at the same time, the determination of compensation cannot be left to unfetterd discretion. The Hon'ble Supreme Court in ***Sarla Verma's case*** standardised the multiplier method with a view to ensuring uniformity and consistency, which has been subsequently affirmed in ***Reshma***

Kumari and Others Vs. Madan Mohan and another reported in ***AIR 2013 SC (Supp) 474***.

13. In the present case, the deceased was aged 72 years at the time of the accident and, therefore, falls within the category of persons aged above 65 years. The structured formula does not contemplate any further sub-classification beyond that age so as to warrant a further reduction of the multiplier. Merely because the deceased had crossed the age of 71 years, the multiplier cannot be reduced to '3' in the absence of any authoritative pronouncement to that effect. On the contrary, adoption of the multiplier of '5' would be more consistent with the structured formula and the principles laid down by the Hon'ble Supreme Court.

14. It is trite law that the concept of “just compensation” is neither a bonanza nor a bounty, but representing a fair compensation determined on settled legal principles. Being a beneficial legislation, a liberal approach may be adopted in appropriate cases, but such liberal interpretation cannot be extended to the departure from the standard multiplier method without any legally sustainable justification. In view

of the above, this Court holds that appropriate multiplier applicable to the case on hand is "5" and the reduction of the multiplier to "3" on the sole ground that the deceased had crossed 71 years is legally unsustainable.

15. As rightly pointed out by the learned Counsel for the claimants, the Tribunal awarded Rs.44,000/- towards of loss of consortium. As already pointed out, the appellants/claimants are the husband, daughter and son of the deceased Lakshmi. Our Hon'ble Supreme Court in ***Pranay Sethi***'s case has permitted to award Rs. 40,000/- towards spousal consortium. But, subsequently, Hon'ble Supreme Court in ***Magma General Insurance Company Ltd, Vs. Nanu Ram alias Chuhru Ram and others*** *reported in* ***(2018) 18 SCC 130***, has held that the right to consortium would include the company, care, help, comfort, love and affection, guidance, solace, etc., which is a loss to his family. Honourable Supreme Court interpreted consortium to be a compendious term, which encompasses (i) spousal consortium, to be awarded to the surviving spouse, (ii) parental consortium to be awarded to the children upon the premature death of their parents and (iii) filial

consortium to be awarded to the parents for the loss of their children. Recently, Hon'ble Apex Court in ***The New India Assurance Company Ltd. Vs. Smt.Somwati and others*****,** has reiterated the above position and further held that the amount to be awarded for loss of consortium will be as per the amount fixed in ***Pranay Sethi'***s case. But, at the same time, they have specifically observed that no amount should be awarded under the separate head of loss of love and affection.

15. Considering the above, the claimants 2 and 3 being the daughter and son of the deceased are each entitled to a sum of Rs.44,000/- towards loss of parental consortium. The claimants have not disputed the other aspects including the monthly income fixed by the Tribunal. Hence, the loss of dependency is reassessed at Rs.4,80,000/- (Rs.96,000/- x 5) The Tribunal has rightly awarded Rs.16,500/- for funeral expenses and Rs.16,500/- towards loss of estate. The claimants are entitled to get any transport expenses. Hence, the claimants are entitled to a total compensation of Rs.6,45,000/- which is as follows:

Sl. No	Description	Amount awarded by the Tribunal Rs.	Amount awarded by this Court Rs.	Award confirmed or enhanced or granted
1	Loss of dependency	2,88,000	4,80,000	enhanced
2	Loss of consortium	44,000	1,32,000 (Rs.44,000/- x3)	enhanced
3	Loss of estate	16,500	16,500	confirmed
5	Funeral expenses	16,500	16,500	confirmed
	Total	**Rs. 3,80,000/-**	**Rs. 6,45,000/-**	**enhanced**

16. In the result, the Civil Miscellaneous Appeal is partly allowed The compensation awarded by the Tribunal to the claimants is enhanced from **Rs.3,80,000/- to Rs.6,45,000/-** along with interest at 7.5%pa., from the date of petition till the date of realization and costs. The second respondent – Insurance Company is directed to deposit the entire award amount along with accrued interest and costs, to the credit of above said M.C.O.P.No.416 of 2022, on the file of the Motor Accident Claims Tribunal / Special Subordinate Court (To deal with MCOP Cases), Dindigul, less the amount already deposited, if any, within a period of four weeks from the date of receipt of a copy of this Judgment and on such deposit, the first claimant is entitled to withdraw Rs.2,45,000/-

along with proportionate interest and costs, the second claimant and the third claimant are entitled to withdraw Rs.2,00,000/- each along with proportionte interest and costs on due application before the Tribunal. The parties are directed to bear their own costs.

24.06.2026

NCC : Yes : No
Index : Yes : No
Internet : Yes : No

SSL

To

1. The Motor Accident Claims Tribunal /
Special Subordinate Court
(to deal with MCOP Cases) Dindigul.

2.The Record Keeper,
Vernacular Section,
Madurai Bench of Madras High Court, Madurai.

K.MURALI SHANKAR,J.

SSL

PRE-DELIVERY JUDGMENT MADE IN

C.M.A(MD)No.1011 of 2025

24.06.2026