



C.M.A(MD).No.478 of 2026

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BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

DATED : 15.04.2026

CORAM

**THE HON'BLE MR.JUSTICE N. ANAND VENKATESH
AND
THE HONOURABLE MR.JUSTICE K.K.RAMAKRISHNAN**

C.M.A(MD)No.478 of 2026

and

C.M.P(MD) No.4892 of 2026

Reliance General Insurance
Company Limited,
III Floor, Valathukaadu Trans Tower,
Tiruvananthapuram,
Kerala.

... Appellant/2nd Respondent

Vs.

1. Mallappan

Mrs.Ovammal (Died)

2. Malliga

3. Ganeshram

(3rd & 4th respondents impleaded as per order
in I.A.No.22 of 2010, dated 12.02.2020
and petition amended as per order in I.A.
No.1 of 2021, dated 04.08.2021)

... Respondents 1 to 3/
Respondents 1 to 3

4. Unnikrishnan

... 4th Respondent/1st Respondent

1/13



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PRAYER: Civil Miscellaneous Appeal is filed under Section 173 of Motor Vehicles Act, 1988, to set aside the Award passed in M.C.O.P.No.04 of 2023 on the file of the Motor Accident Claims Tribunal, Subordinate Court, Sattur, dated 12.02.2025 and allow the Civil Miscellaneous Appeal

For Appellant : M/s.K.R.Shivashankari
For R1 to R3 : Mr.S.Muniyandi

JUDGMENT

(Judgment of the Court was delivered by **K.K.RAMAKRISHNAN.J.**)

The appellant/Insurance Company herein is the second respondent in M.C.O.P. No. 4 of 2023 on the file of the Motor Accident Claims Tribunal (Subordinate Judge), Sattur.

2. Facts of the case:

The case arises out of a road accident involving a two-wheeler bearing Registration No. KL-01-CA-9773, which was insured with the appellant. On 03.06.2017, at about 6:30 p.m., the deceased, Kanagalakshmi, while proceeding on a bicycle on Sattur to Kovilpatti National Highway near Vaiparu Bridge, was hit by the said insured two-wheeler, which was ridden in



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a rash and negligent manner. Due to the impact, the deceased sustained grievous injuries and subsequently succumbed to the same.

2.1. The claimants, being the legal heirs of the deceased, filed the claim petition seeking compensation of Rs.70,00,000/-, contending that the deceased was a graduate, had completed B.Com (Corporate Secretaryship), and was engaged in temporarily employed in a medical shop, with promising future prospects. A case in Crime No. 329 of 2017 was registered by the jurisdictional police, and after investigation, a final report was filed against the rider of the two-wheeler.

2.2. The appellant/insurance company filed a counter statement denying the manner of accident and negligence attributed to the rider. It was specifically contended that the rider did not possess a valid driving licence and that there was violation of policy conditions, including absence of valid registration, thereby absolving the insurer of liability.

2.3. Before the Tribunal, on the side of the claimants, P.W.1 and P.W.2 were examined and Exs. P1 to P20 were marked. On the side of the



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respondents, R.W.1 to R.W.3 were examined and Exs. R1 and R2 were marked, along with Exs. X1 and X2 as third-party documents.

3. Finding of the Tribunal:

Upon appreciation of the entire evidence, particularly the testimony of P.W.2, an independent eyewitness, the Tribunal fixed negligence on the rider of the two-wheeler. However, taking note of the fact that the rider did not possess a valid driving licence, the Tribunal ordered “pay and recovery” against the insurance company. The Tribunal awarded the compensation amount under the following heads:

Sl.No	Heads	Amount in Rs
1.	Loss of Dependency	19,51,344/-
2	Loss of Consortium	48,400/-
3	Loss of Estate	18,150/-
5	Funeral Expenses	18,150/-
	Total	20,36,044/-
		20,36,050/-(Rounded of)



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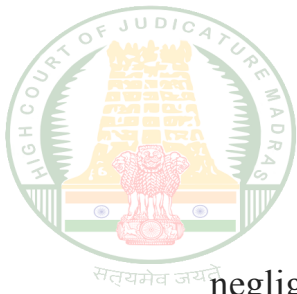
3.1. Challenging the said award dated 12.02.2025, both on the aspect of liability as well as quantum, the present appeal has been filed by the insurance company.

4. Submissions of the learned counsel appearing for the appellant:

The learned counsel for the appellant would contend that in the absence of a valid driving licence and in the absence of cogent evidence establishing negligence, the Tribunal erred in fastening liability on the insurer. It is further contended that the notional income fixed at Rs.12,905/- per month is excessive and contrary to the principles laid down by the Hon'ble Supreme Court, particularly in the absence of documentary proof regarding income and age of the deceased. Hence, the appellant seeks reduction of the compensation awarded by the Tribunal.

5. Submissions of the learned counsel for the respondents:

Per contra, the learned counsel for the claimants would submit that the Tribunal, upon a thorough appreciation of the entire evidence, particularly the testimony of P.W.2, an independent eyewitness, has rightly fixed the



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negligence on the rider of the insured two-wheeler. It is further submitted that the Tribunal has also taken note of the fact that the rider did not possess a valid driving licence and, therefore, rightly applied the principle of “pay and recovery.” With regard to the quantum, it is contended that the accident occurred on 03.06.2017 and that the deceased was a graduate, had undergone training in a private company, and had reasonable future prospects. Placing reliance on the judgment of the *Hon’ble Supreme Court in Syed Sadiq vs. United India Insurance Co. Ltd. (2014 (1) TN MAC 459 (SC))*, the Tribunal fixed the monthly income of the deceased at Rs.12,905/- by adopting the cost inflation index, added 40% towards future prospects, and arrived at a monthly income of Rs.18,067/-. Hence, it is submitted that the compensation awarded is just and reasonable and does not warrant any interference.

6. This Court has considered the rival submissions and perused the entire materials available on record.

7. The following issues arise for consideration in this appeal:

(i). Whether the Tribunal was right in fixing negligence on the rider of the insured two-wheeler?



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(ii). Whether the fixation of monthly income at Rs.12,905/- based on the principles laid down by the Hon'ble Supreme Court in Syed Sadiq vs. United India Insurance Co. Ltd. (2014 (1) TN MAC 459 (SC)) is justified?

(iii). Whether the direction of “pay and recovery” is in accordance with law?

8. Discussion on the negligence:

Insofar as negligence is concerned, P.W.2, an independent eyewitness, has clearly deposed that on 03.06.2017, the deceased was riding a bicycle when the rider of the insured two-wheeler came in a rash and negligent manner and dashed against the bicycle from behind, resulting in fatal injuries to the deceased. The said testimony is cogent, consistent, and inspires confidence. Further, the First Information Report was registered against the rider of the two-wheeler, and the investigation culminated in the filing of a final report fixing culpability upon him. The said final report was marked as an exhibit before the Tribunal.



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8.1. In view of the above evidence, both oral and documentary, this Court is of the considered opinion that the accident occurred solely due to the rash and negligent riding of the insured two-wheeler. The Tribunal has rightly appreciated the evidence in its proper perspective, and there is no perversity or mis-appreciation warranting interference by this Court. Accordingly, this Court concurs with the finding of the Tribunal on the aspect of negligence.

9.Disscussion of quantum:

Insofar as the fixation of income is concerned, the Tribunal has taken into consideration the educational qualifications and potential earning capacity of the deceased. It is seen from the records that the deceased had completed B.Com. (Corporate Secretaryship), and the degree certificate was marked as Ex.P13, evidencing that she had passed in first class. Further, Ex.P11 establishes that she had undergone training in a private company during the course of his studies. It is also brought on record through Ex.P16 that the deceased was temporarily employed in a medical shop. However, it is true that the employer was not examined to substantiate the exact income.

9.1.In such circumstances, the Tribunal has rightly resorted to a



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reasonable estimation of income. The judgment of the *Hon'ble Supreme Court in Syed Sadiq vs. United India Insurance Co. Ltd. (2014 (1) TN MAC 459 (SC))* and catena of decisions, have consistently held that in the absence of direct proof of income, the Tribunal is required to adopt a pragmatic approach and undertake a reasonable “guesswork” based on the materials available on record, including educational qualifications and surrounding circumstances. In this regard, the Tribunal has relied upon the principles laid down in *Syed Sadiq vs. United India Insurance Co. Ltd. (2014 (1) TN MAC 459 (SC))* and applied the cost inflation index to arrive at the notional monthly income of Rs.12,905/-.

9.2.Considering the educational background of the deceased, his training, and the fact that he was gainfully engaged, albeit temporarily, this Court finds that the fixation of monthly income at Rs.12,905/- is just, reasonable, and does not call for interference. The Tribunal has further correctly applied the multiplier method, added 40% towards future prospects, and adopted the appropriate multiplier considering the age of the deceased as 25 years. Thus, the computation of compensation is in accordance with settled legal principles.



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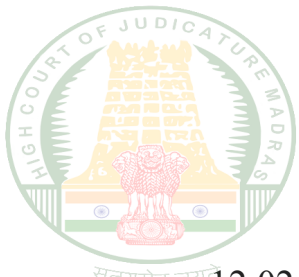
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9.3. Accordingly, this Court finds no error, illegality, or excessiveness in the total compensation of Rs.20,36,005/- awarded by the Tribunal, along with interest at the rate of 7.5% per annum.

10.Discussion on pay and recovery:

With regard to liability, it is evident from the evidence adduced on the side of the insurance company that the rider of the insured two-wheeler did not possess a valid driving licence at the time of the accident. In such circumstances, the Tribunal has rightly applied the principle of “pay and recovery,” directing the insurer to satisfy the award in the first instance and thereafter recover the same from the owner of the vehicle. The said direction is in consonance with settled law and warrants no interference.

11. In the result, this Court finds no merit in the appeal, and the same is liable to be dismissed. Accordingly, the Civil Miscellaneous Appeal is dismissed. The compensation awarded in M.C.O.P.No.4 of 2023 on the file of the Motor Accidents Claims Tribunal, Subordinate Court, Sattur, dated



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12.02.2025, is hereby confirmed. The appellant/insurance company is directed to deposit the award amount, along with accrued interest and costs, if any, within a period of six weeks from the date of receipt of a copy of this judgment. Upon such deposit, the claimants are permitted to withdraw their respective shares of the award amount, as apportioned by the Tribunal, after adjusting any amount already withdrawn, in accordance with law. No costs. Consequently, connected miscellaneous petition is closed.

[N.A.V., J.] & [K.K.R.K., J.]

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NCC : Yes/No
Index : Yes / No
Internet : Yes / No
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To

1. The Motor Accident Claims Tribunal,
Subordinate Court, Sattur.
2. The Section Officer,
VR Section,
Madurai Bench of Madras High Court,
Madurai.



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