

C.M.A.Nos.538 of 2023

**IN THE HIGH COURT OF JUDICATURE AT MADRAS**

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Reserved on	24.02.2026
Pronounced on:	29.04.2026

CORAM

**THE HONOURABLE MRS. JUSTICE K. GOVINDARAJAN THILAKAVADI**

**C.M.A.No.538 of 2023**

**and C.M.P.No.4660 of 2023**

United India Insurance Company Ltd.,

T.P. Hub, Puducherry, A.R. Plaza,

No.35, 36, 37, 45 Feet Road, Balaji Nagar,

2nd Floor, Puducherry.

...Appellant

Vs.

1. Usha Rani,

2. Bharathi,

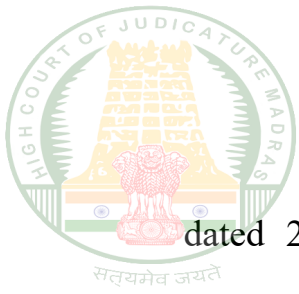
3. Vaishnavi,

4. V. Kumar,

...Respondents

**Prayer:** This Civil Miscellaneous Appeal is filed under Section 173 of the Motor Vehicles Act, against the award passed in M.C.O.P.No.2824 of 2018

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C.M.A.Nos.538 of 2023

dated 25.04.2022 on the file of the Motor Accident Claims Tribunal (I

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Additional District and Sessions Judge), Cuddalore.

For Appellant : Mr. D. Bhaskaran

For Respondents : M.R.Thangavel

for Mr.P.Muthukumarasamy

for R1 to R3

T4- Notice Dispensed with

### **JUDGMENT**

This Civil Miscellaneous Appeal is preferred by the appellant/Insurance Company against the award in M.C.O.P.No.2824 of 2018 dated 25.04.2022 on the file of the Motor Accident Claims Tribunal (I Additional District and Sessions Judge), Cuddalore.

2. For the sake of convenience, the parties are referred to as per their ranking in the claim petition.

3. Shortly stated, on 02.09.2017, the deceased Pandian met with a road accident and sustained fatal injuries. The claimants, being the legal heirs and dependants of the deceased, filed M.C.O.P.No.2824 of 2018 before the Motor



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Accident Claims Tribunal (I Additional District and Sessions Judge),

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Cuddalore, seeking compensation for his death. The Tribunal, after analyzing the oral and documentary evidence on record, fixed the annual income of the deceased at Rs.6,75,096/- and awarded a total compensation of Rs.49,27,849/- with interest at 7.5% per annum from the date of petition till the date of realization, directing the appellant/Insurance Company to deposit the same.

4. The learned counsel for the appellant/Insurance Company would submit that the Tribunal erred in deducting income tax and had deducted only Rs.10,313/-, whereas the income tax due and payable is more than Rs.60,000/- per annum. His further contention is that the deceased had only three years of remaining period of service at the time of the accident and therefore the addition of future prospects is not warranted, as the award is highly excessive. To support his contention, he has relied upon the judgment in the case of *National Insurance Company Ltd., Vs. Indira Srivastava and Others* reported in *Air 2008 Supreme Court 845* and *Sri Vidya vs Leal Enterprise* reported in *2023 (1) TNMAC 306 (DB)*.



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5. On the other hand, the learned counsel for the respondents would submit that the Tribunal has correctly computed the compensation and that the award does not call for any interference.

6. Heard on both sides. Records perused.

7. This appeal is preferred by the Insurance Company. It is seen that the Tribunal has fixed the annual income of the deceased at Rs.6,75,096/-. However, the Tribunal has not properly deducted income tax during computation. The Tribunal ought to have deducted income tax as per the applicable slab for the relevant period and profession tax before deducting the personal and living expenses while computing the compensation. It is not in dispute that the date of accident is 02.09.2017. Therefore, the proper income tax as per the applicable slab for the Assessment Year 2018-2019 on the annual income of Rs.6,75,096/- would be Rs.47,520/-.

8. On the question of future prospects, the appellant submits that since the deceased had only three years of remaining service at the time of the accident, the addition of 15% towards future prospects is not warranted and reliance is placed on the judgment in **2018 (2) TN MAC 583**. This Court has

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considered the said submission. It is seen that the Tribunal, having taken the

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gross salary for the period including the superannuation period and having fixed the annual income based on the actual salary drawn, the question of adding future prospects requires careful consideration. However, considering the fact that the income already takes into account the pay revision and the deceased had only three years of remaining service, this Court is of the considered view that the addition of 15% towards future prospects, as awarded by the Tribunal, is just and proper and does not call for interference, as the same is in accordance with the established legal principles governing such computation.

9. In view of the above, the only modification warranted in the award of the Tribunal is the correction of the income tax deduction. The correct computation is as follows:

Annual income of the deceased : Rs.6,75,096/-

Less: Income tax as per slab (AY 2018-19) : Rs. 47,520/-

Annual income after tax : Rs.6,27,576/-

Less: 1/3rd towards personal expenditure : Rs.2,09,192/-



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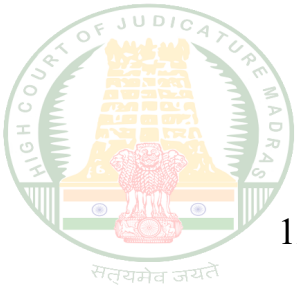
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Loss of pecuniary benefits : Rs.4,18,384/-

Multiplied by multiplier 11 : Rs.4,18,384 x 11 = Rs.46,02,224/-

S.No	Description	Amount awarded by the Tribunal (Rs.)	Awarded by this Court (Rs.)	Modification
1.	Loss of Pecuniary benefits	48,37,349	46,02,224	Reduced
2.	Loss of consortium	44,000	44,000	Confirmed
3.	Loss of affection / filial consortium	80,000	80,000	Confirmed
4.	Loss of estate	15000	15000	Confirmed
5.	Transport charges	15000	15000	Confirmed
6.	Funeral Expenses	16500	16,500	Confirmed
	<b>Total</b>	<b>49,27,849</b>	<b>47,72,724</b>	<b>Reduced by 1,55,125</b>

11. Accordingly, the award of the Tribunal in M.C.O.P.No.2824 of 2018 dated 25.04.2022 is modified from Rs.49,27,849/- to Rs.47,72,724/-. The compensation of Rs.47,72,724/- shall carry interest at the rate of 7.5% per annum from the date of petition till the date of realization. Accordingly, the Civil Miscellaneous Appeal is partly allowed. No costs. Consequently, connected miscellaneous petition is closed.



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12. The appellant/United India Insurance Company Ltd. is directed to

deposit the modified compensation amount of Rs.47,72,724/- with interest at the rate of 7.5% per annum from the date of 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.2824 of 2018 on the file of the Motor Accident Claims Tribunal (I Additional District and Sessions Judge), Cuddalore, if not already deposited.

**29.04.2026**

vsn

Internet:Yes/No

Index:Yes/No

Speaking/Non-speaking order

To

1. The Principal Sub Judge,

Cuddalore.

2. The Section Officer,

VR Section, High Court, Madras.



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**K.GOVINDARAJAN THILAKAVADI, J.**

vsn

Pre-delivery Judgment made in

**C.M.A.No.538 of 2023**

**and C.M.P.No.4660 of 2023**

**29.04.2026**