BEFORE THE MOTOR ACCIDENT CLAIMS TRIBUNAL

(III COURT OF SMALL CAUSES, CHENNAI)

Present: Shri. M.DHARMAPRABU, M.A., M.L.,

III Judge, Court of Small Causes

Saturday, the 01st day of August 2026

<u>Motor Accidents Claims Original Petition No.4359 of 2023</u>

CNR NO : TNCH09-006695-2023

Mr. P.Solairaj S/o. Periyasamy,
No.3/131, Mettupatti, Peraiyur,
Kamuthi Tk, Ramanathapuram – 623 708. …Petitioner

-Vs-

1. S.Ananthaprabu S/o. Solairaj,
No.3/131, Mettupatti, Peraiyur,
Kamuthi Tk, Ramanathapuram – 623 708.

2. The Go Digit General Insurance Co. Ltd.,
Jawaharlal Nehru Road, Ekkaduthangal,
Guindy Industrial Estate, Chennai – 600 032. …Respondents

<u>Appearance:</u>

M/s.S.R.Deepak & another, Counsels appearing for the Petitioner.

1st Respondent: Set *exparte* on 21.02.2024.

M/s.B.Siva Kollapan, Counsel appearing for the 2nd Respondent.

****

Upon perusing the entire records, I passed the following

<u>AWARD</u>

The Petitioner claimed compensation of Rs. 49,00,000/- for the death of Ramalakshmi in a motor Acccident.

2. <u>Crux of the Petition:</u>

The Deceased was aged about 42 years working as a Tailor in a Private Export company thereby earning Rs. 25,000/- per month. On 20.05.2023 at about 13.30 Hours, when the deceased was traveling as a pillion-rider in a motorcycle bearing registration number TN 65 BY 1262 on Kamuthi to Sayalkudi mainroad, Singapuliyapoatti, the rider of the motorcycle rode the motorcycle in a rash and negligent manner and skid and fell down the road due to which the deceased sustained multiple injuries and she died. The 2nd Respondent is the insurer of the motorcycle and the 1st Respondent is the owner of the motorcycle.

3. <u>Crux of the Counter of the Respondent:</u>

Denied the manner of accident. Age, income and occupation of the deceased are denied. The insurance policy is bundled policy for own damage is from 15.04.2021 to 14.04.2022 and for third party from 15.04.2021 to 14.04.2026. The Accident occurred on 20.05.2023. Moreover, the deceased is the mother of the 1st Respondent and she cannot be termed as 'third party'. Therefore the deceased being a pillion-rider is not covered under the policy. The rider of the motorcycle was not having a valid driving license and therefore there is a violation of policy condition and therefore, the 2nd Respondent is not liable to indemnify the 1st Respondent. The deceased lost balance and travelled without a valid driving license and therefore the petitioner is not entitled to compensation. The claim of the petitioner is highly excessive. Hence, the petition is liable to be dismissed.

4. <u>Points to be considered:</u>

1. On whose negligence, did the accident occur?

2. Whether the Petitioner is entitled to compensation? If so, to what quantum?

3. Which of the Respondents is liable to pay compensation?

5. The Petitioner was examined as PW1 and Ex.P1 to P10 were marked. An Eye-witness Ananthan was examined as PW2 and Ex.P11 was marked. On the side of the 2nd Respondent, an application under Section 170 of the MV Act was filed and allowed. The Official of the RTO Paramakudi was summoned and examined as RW1. The Official of the 2nd Respondent was examined as RW1 and Ex.R1 to R4 were marked.

6. Answer to Point No.1:

The burden lies upon the Petitioner to establish that the accident occurred due to the rash and negligent riding of the motorcycle bearing Registration No. TN 65 BY 1262. PW2, an eye-witness to the occurrence, has deposed about the occurrence. Ex.P1 is thje FIR, which was registered against the rider of the motorcycle. The contents of Ex.P2 is the Death Report, Ex.P4 is the Postmortem Certificate. Though the Insurance Company disputed the manner of accident, no contra evidence has been let in to discredit the testimony of PW2. The evidence of RW1 and RW2 is confined only to the issue relating to the driving licence and does not speak about the manner of occurrence. Accordingly, this Tribunal holds that the accident occurred solely due to the rash and negligent riding of the motorcycle.

7. Answer to Point No.2:

(a) The Petitioner has pleaded that the deceased was employed as a Tailor in a private export company earning Rs. 25,000/- per month. However, no documentary evidence has been produced to prove either the employment or the monthly income. Ex.P10 Aadhaar Card reveals that the deceased was born on 26.04.1981. Therefore, on the date of accident, namely 20.05.2023, she was 42 years old. Considering the nature of avocation, the year of accident (2023) and the Cost Inflation Index of 348, this Tribunal fixes the notional monthly income of the deceased at Rs. 18,000/-. Since the deceased was aged 42 years, 25% is added towards future prospects in view of the judgment of the Hon'ble Supreme Court in ***National Insurance Co. Ltd. v. Pranay Sethi,* (2017) 16 SCC 680**. The multiplier to be adopted for the above age group is ‘14’

(b) Applying for Monthly income : Rs. 18,000/- with Future prospects at the rate of 25% is Rs. 4,500/-, the total monthly income is Rs. 22,500/-. Since the Petitioner is the only dependent, 50% is deducted towards personal and living expenses and the monthly contribution of the deceased to the family is Rs. 11,250/-. Therefore, annual contribution would be **Rs. 1,35,000/- (**11,250 × 12). Applying the multiplier '14', the loss of dependency is **Rs. 18,90,000/- (1,35,000 × 14).**

(c) Regarding the conventional heads, the Petitioner is also entitled to compensation under the conventional heads at the revised rates of 10% enhancement for two block periods of three years each, to **Rs. 18,150/-** each for loss of estate and funeral expenses and **Rs. 48,400/-** for loss of consortium. Accordingly, the petitioner is entitled to the following compensation as tabulted as under:

Head	**Amount (Rs.)**
Loss of Dependency	18,90,000/-
Loss of Consortium	48,400/-
Loss of Estate	18,150/-
Funeral Expenses	18,150/-
Total	**19,74,700/-**
Rounded off	**19,75,000/-**

(d) Thus, the petitioner is entitled to **Rs. 19,75,000/- (Rupees Nineteen Lakhs and Seventy-Five Thousand Only)** as compensation.

8. <u>Answer to Point No.3:</u>

(a) The specific defence of the 2nd Respondent is that the deceased, being the mother of the 1st Respondent-owner, was traveling as a pillion rider in the offending motorcycle and, therefore, she cannot be treated as a 'third party'. It is further contended that the policy issued in respect of the offending vehicle does not cover the risk of a pillion rider. The 2nd Respondent has also contended that the rider of the motorcycle did not possess a valid driving licence on the date of the accident and, therefore, there was a violation of the policy conditions, absolving the insurer from its liability to indemnify the owner.

(b) Ex.R2 is the copy of the Insurance Policy. A perusal of Ex.R2 reveals that it is a policy described as "One Year Own Damage Cover Bundled with Five Years Liability Cover." The policy was admittedly in force on the date of accident, namely, 20.05.2023. Under Section II of the policy dealing with liability to third parties, it is specifically provided that the insurer shall indemnify the insured in respect of death of or bodily injury to "any person" arising out of the use of the insured vehicle.

(c) I would bank upon a decision of the Hon'ble Supreme Court in ***National Insurance Co. Ltd. v. Balakrishnan and Another,*** **(2013) 1 SCC 731,** wherein it was held that the occupants of a private car and pillion riders traveling in a motorcycle are covered under a Package/Comprehensive Policy. Reliance may also be had to the judgment of the Hon'ble Delhi High Court in ***Yashpal Luthra and Another v. United India Insurance Co. Ltd.,*** **MAC APP. No.176 of 2009, dated 17.12.2009**, wherein the scope and coverage of package policies were elaborately considered.

(d) The learned counsel for the Petitioner further relied upon the judgment of the Hon'ble Madras High Court in ***The Branch Manager, Cholamandalam MS General Insurance Co. Ltd. v. V. Maheswari and Others,*** **C.M.A.(MD) Nos.718 and 767 of 2025, dated 28.10.2025**, wherein the Hon'ble High Court observed that Insurance Companies frequently employ different nomenclatures such as Package Policy, Bundled Policy and similar expressions, creating ambiguity to avoid liability, whereas the actual coverage available under the policy is the determining factor.

(e) In the present case, the deceased was travelling as a pillion rider in the insured motorcycle. Therefore, merely because she happened to be the mother of the owner, she cannot be denied the status of a third party so long as the policy extends coverage to a pillion rider. No material has been produced by the 2nd Respondent to establish that the risk of a pillion rider was specifically excluded under Ex.R2 policy. Hence, the contention that the deceased was not covered under the policy is liable to be rejected.

(f) However, insofar as the defence regarding the driving licence is concerned, PW1, during the course of his cross-examination, has categorically admitted that the rider of the motorcycle, namely his daughter, did not possess a valid driving licence on the date of the accident. Though the RTO Official examined as RW1 has deposed that it was not possible to verify the particulars of the driving licence in the absence of complete particulars of the rider, the admission made by PW1 constitutes substantive evidence and clearly establishes that the rider was not holding a valid driving licence at the time of the accident. Thus, there was a breach of the policy conditions by the insured.

(g) It is also pertinent to note that the 2nd Respondent had caused legal notices issued to the 1st Respondent-owner and to the rider of the offending motorcycle calling upon them to produce the driving licence, which are marked as Exs.R3 and R4. Despite service of the said notices, neither the owner nor the rider entered the witness box to produce the driving licence or to rebut the contention of the insurer. The 1st Respondent also remained *exparte* before this Tribunal.

(h) In such circumstances, an adverse inference is liable to be drawn against the owner and the rider that, had they entered the witness box, their evidence would not have supported their case. The Hon'ble Division Bench of the Madras High Court in ***Cholamandalam MS General Insurance Co. Ltd. v. K. Dineshkumar & Others,*** **MANU/TN/0703/2026**, has held that where, despite issuance of notice by the insurer calling upon the owner and the driver to produce the driving licence, they fail to appear before the Tribunal or produce the licence, an adverse inference can legitimately be drawn against them regarding the absence of a valid driving licence. Therefore, this Tribunal holds that the 2nd Respondent has satisfactorily established the breach of the policy condition relating to the absence of a valid driving licence.

(i) Therefore, while holding that there has been a violation of the policy condition on account of the rider not possessing a valid driving licence, this Tribunal is of the

DHARMAPRABU M

Digitally signed by DHARMAPRABU M
Date: 2026.08.01 15:08:51 +0530

considered view that the 2nd Respondent is to deposit the entire award amount with accrued interest and costs at the first instance and thereafter recover the same from the 1st Respondent. Accordingly, Point No.3 is answered.

9. Mode of Disbursement:

(a) Insofar as the mode of disbursement of compensation is concerned, it is brought to the notice of this Tribunal that the Hon'ble Supreme Court in ***Parminder Singh v. Honey Goyal & Ors.,*** **2025 INSC 361 : 2025 LiveLaw (SC) 318**, has held that the compensation amount shall be directly transferred to the bank account of the claimant, without requiring deposit before the Tribunal. In the present case, the petitioner has already furnished his bank account particulars before this Tribunal, of which the 2nd Respondent has due notice.

(b) This Tribunal is of the view that insisting upon payment of deficit court fee by the petitioner as a condition precedent for receipt of the compensation may result in avoidable delay in disbursement and consequential accrual of interest. Since the petition is being allowed with costs, and the liability towards court fee is ultimately to be borne by the 2nd Respondent, it is just and proper to direct the 2nd Respondent to pay the deficit court fee separately, preferably by way of e-court fee, if any. After deducting such court fee, the Advocate Fees and together with costs, shall be deposited into the Tribunal's Account and the net compensation amount shall be directly transferred to the bank account of the claimant, and intimation of such transfer shall be furnished to this Tribunal forthwith.

(c) The contingency relating to return, reversal, or unsuccessful electronic transfer of the compensation amount shall be governed by the directions contained in the Result portion infra.

DHARMAPRABU M

Digitally signed by DHARMAPRABU M
Date: 2026.08.01 15:08:56 +0530

10. Result:

In fine,

(a) The Petition is partly allowed with Costs,

(b) The petitioner is awarded a total compensation of **Rs. 19,75,000/- (Rupees Nineteen Lakhs and Seventy-Five Thousand Only)** with interest at a rate of 6.5% p.a. from the date of filing of the petition till the date of deposit excluding the period of dismissal for default, if any.

(c) **The respondent No. 2/Insurance Company is directed, within a period of 30 Days from this day, to pay the deficit court fee,** if any, and deposit the Advocate fees and Costs into the **Tribunal's Account "Registrar (MACT), Court of Small Causes, Chennai Account No. 7103261207 IFSC No. IDIB000M157 Indian Bank, Madras High Court Branch, Chennai"** On such deposit, the 2nd Respondent shall furnish the **Bank Advice with MCOP No.** before this Tribunal and serve a copy thereof on the Petitioners.

(d) Thereafter, the Respondent No. 2 shall transfer the **net award amount, together with accrued interest, directly to the bank account of the petitioner,** whose bank account particulars have been furnished below **within a period of 30 Days from this day,**In the event of payment after the said period, the rate of interest shall be 7.5 % per annum instead of 6.5% per annum.

(e) The **respondent No. 2/Insurance Company** shall file before this Tribunal **proof of payment/deposit of the deficit court fee, if any, and proof of electronic transfer of the balance award amount to the Petitioner's bank account(s) immediately after compliance.**

(f) **Only in the event** the electronic transfer is returned, reversed, or remains unsuccessful on account of the bank account being inoperative, closed, incorrect, or for any other reason attributable to the Petitioner, the respondent

Insurance Company shall intimate this Tribunal along with proof, if any, and the concerned Petitioner. The Petitioner shall furnish correct and operative bank account particulars before this Tribunal within two weeks from the date of such intimation, and the respondent Insurance Company shall re-transfer the amount to the corrected bank account within the time fixed by this Tribunal. Any delay attributable to such incorrect or inoperative account particulars shall not render the respondent Insurance Company liable for additional interest for the period of such delay.

(g) In the event of non-compliance by the 2nd Respondent, the Petitioner shall pay the deficit Court-fees and execute the Award.

(h) Upon such deposit, the 2nd Respondent is **permitted to recover** the said amount from the 1st Respondent.

(i) The Advocate fees is fixed as **Rs. 26,750/-.**

REQUIRED PARTICULARS

1.	Date of Presentation	12-06-2023	
2.	Date of filing	04-09-2023	
3.	Compensation Claimed	Rs.	49,00,000/-
4.	Court fees paid	Rs.	375/-
5.	Compensation Awarded	Rs.	19,75,000/-
6	Court Fees payable on the Award	Rs.	19,122.50/-
7.	**Deficit Court fees Payable (6-4)**	**Rs.**	**18,747.50/-**
8.	Petitioner's Bank Name and Branch	SBI, ACB Mudukulathur.	
9.	Petitioner's Account number and IFSC code	43037378538, SBIN0000786.	
10.	Petitioner's Aadhar	6940 2168 1540	
11.	Petitioner's PAN	GSZPP05274E	
12.	Default period, if any	---	

Additional court fee paid, MP SR.No......………………......; dated

DHARMAPRABU M

Digitally signed by DHARMAPRABU M
Date: 2026.08.01 15:09:05 +0530

STATEMENT OF COSTS

For the petitioners						For the Respondents	
		Rs.		P.		Rs.	**P.**
Stamp on petition	-	19,122	.	50			
Stamp on Vakalat	-	20	.	00			
Stamp for process	-	40	.	00		-- not filed --	
Advocate fees	-	26,750	.	00			
Costs allowed	-	45,932	.	50			

//Dictated to the Steno typist, typed by him in the computer directly, corrected and pronounced by me in the open Court, on this Saturday, the 01st day of August 2026.//

DHARMAPRABU M
Digitally signed by DHARMAPRABU M
Date: 2026.08.01 15:09:09 +0530

III Judge
Court of Small Causes, Chennai.

Petitioner's side Witness:

P.W.1 : Mr. P.Solairaj, Petitioner
P.W.2 : Mr. A.Anandhan

Petitioner's side Exhibits:

Ex.P1 : FIR
Ex.P2 : Death report
Ex.P3 : Insurance policy
Ex.P4 : Postmortem report
Ex.P5 : Legal Heirship certificate
Ex.P6 : Bank Pass Book
Ex.P7 : Aadhar Card
Ex.P8 : PAN card
Ex.P9 : RC Book
Ex.P10 : Aadhar card of the deceased
Ex.P11 : Aadhar card of PW2

2nd Respondent side Witness:

R.W.1 : Mr. Bala Sundaram
R.W.2 : Mrs. Vijayalakshmi

2nd Respondent side Exhibits:

Ex.R1 : Court Summon
Ex.R1 : ID Card
Ex.R2 : Policy copy
Ex.R3 : Legal notice sent to 1st respondent and AD card
Ex.R4 : Legal notice sent to 1st respondent rider and AD card

DHARMAPRABU M

Digitally signed by DHARMAPRABU M
Date: 2026.08.01 15:09:13 +0530

III Judge
Court of Small Causes, Chennai.

Note:

(a) In view of Sub-rule 6 of Rule 20 of TNMAC Rules, 1989 and **M/S.Cholamandalam MS Genl. Ins Co Ltd. v. Mr. Ayyanar & Ors., Tr.CMP. No. 264-281/2020 dt. 11.05.2020**, Drafting of Decree has been dispensed with by direction of the Hon’ble High Court.

(b) Advocate Fees are fixed fixed by the Tamil Nadu State Legal Authority Act Circular dated 17.10.2016 and Rule 20(5) of Tamil Nadu Motor Vehicles Accident Claims Tribunal Rules 1989.

(c) Digitally Signed copy of the Award shall be utilized for all the purposes.