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CMA.No.930 of 2024

IN THE HIGH COURT OF JUDICATURE AT MADRAS

**Reserved on :
29.7.2026**

**Delivered on :
03.8.2026**

CORAM

THE HON'BLE MR JUSTICE N. ANAND VENKATESH

Civil Miscellaneous Appeal No.930 of 2024

R.Balaji, S/o. P.Ramadoss Rao,
Old No.49, New No.20,
Kuppamuthu Street,
Ellis Road, Triplicane,
Chennai-5.

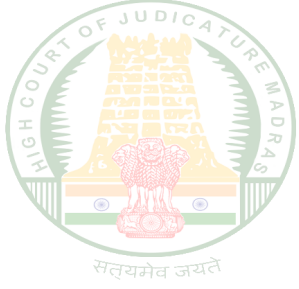
...Appellant

Vs

1. Rahamathullah
No.36, Irusappa Street,
K.Naggar Meeran,
Royapettah, Chennai-14.
2. M/s.United India Insurance Co.Ltd.,
No.38, Anna Salai, Chennai-2.

...Respondents

APPEAL under Section 173 of the Motor Vehicles Act, 1988
against the judgment and decree dated 26.9.2023 made in M.A.C.T.
O.P.No.3190 of 2003 on the file of the Motor Accident Claims
Tribunal (V Court of Small Causes), Chennai.



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For Appellant:
For Respondents:

Mr.F.Terry Chella Raja
Ms.I.Malar for R2
R1 - Notice Dispense With

JUDGMENT

This appeal has been filed against the order dated 26.9.2023 made in M.A.C.T.O.P.No.3190 of 2003 on the file of the Motor Accident Claims Tribunal (V Court of Small Causes), Chennai (for short, the Tribunal below) whereby the Tribunal below rejected the claim petition filed by the appellant – claimant.

2. Heard the learned counsel for the appellant – claimant and the learned counsel appearing for the second respondent – Insurance Company.

3. The case of the appellant – claimant is as follows:

(i) On 11.1.2003, the appellant – claimant was travelling as a pillion rider in a two wheeler that was ridden by the first respondent, who was also the owner of the vehicle, from Anna Salai to Parris Corner and at about 12.30 hours, when the vehicle was near P.ORR & Sons, an unidentifiable bus was driven in a rash and negligent



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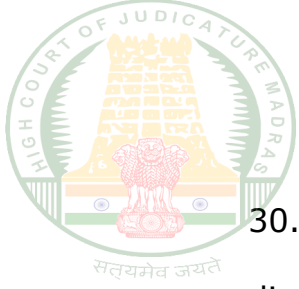
manner and hit the two wheeler on the rear side, as a result of which, the appellant – claimant fell down and sustained the following injuries:

- "1. Sub Trochantric fracture right hip
2. Peri Prosthetic fracture of femur
3. Open reduction & DCS plate fixation on 13.4.2003; and
4. DCS implant removal – right leg."

(ii) The appellant – claimant underwent treatment as an inpatient from 11.1.2003 to 17.1.2003. A first information report came to be registered in Crime No.78 of 2003 on the file of D6, Anna Square Traffic Investigation Police Station, Chennai. It was under those circumstances, the claim petition came to be filed before the Tribunal below.

(iii) The claim petition was originally filed under Section 166 of the Motor Vehicles Act, 1988 (for brevity, the Act). Later, it was amended to be one under Section 163A of the Act.

(iv) Ultimately, the claim petition came to be dismissed by order dated 28.11.2014 by the Tribunal below. Aggrieved by that, on the earlier occasion, the appellant - claimant filed C.M.A.No.1719 of 2016 before this Court. Further, This Court, by judgment dated



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30.6.2021, set aside the said order dated 28.11.2014 with a direction to deal with the claim petition as one filed under Section 163A of the Act and to dispose of the same within four months therefrom.

(v) After remand, the Tribunal below once again dealt with the claim petition and on appreciation of evidence, came to the conclusion that there was no need for the claimant to establish the negligence since the claim petition was dealt with under Section 163A of the Act.

(vi) Having rendered the above finding, the Tribunal below found that the appellant – claimant did not satisfy the requirements under Section 163A of the Act since the injuries sustained did not form part of the scheduled injuries and that the appellant – claimant admitted to have an annual income of more than Rs.40,000/-. Ultimately, the Tribunal below dismissed the claim petition by the impugned order. Aggrieved by that, once again, the appellant – claimant is before this Court by filing the present appeal.

4. This Court has carefully considered the submissions of the learned counsel on either side and perused the materials available



on record and more particularly the impugned order.

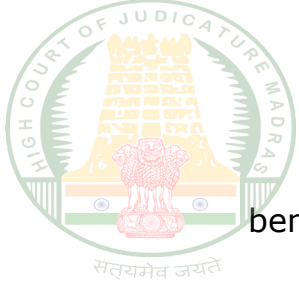
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5. In the case in hand, the accident had taken place in 2003 and the claim petition came to be filed in 2003 initially under Section 166 of the Act. Thereafter, it was amended to be one under Section 163A of the Act. The Tribunal below rejected the claim petition on two grounds and they are

(a) the injuries sustained by the appellant – claimant did not fall within the injuries described in Schedule-1 of the Workmen’s Compensation Act and for the non-schedule injuries, the Tribunal below could not fix the compensation; and

(b) the annual income of the appellant – claimant was above Rs.40,000/- and therefore, the appellant – claimant was not entitled to get compensation under Section 163A of the Act.

6. A Full Bench of the Hon’ble Apex Court in the case of ***Deepal Girishbhai Soni & Others Vs. United India Insurance Co.Ltd., Baroda [reported in AIR 2004 SC 2107]*** held that the Act is a beneficial legislation; that it deserves a liberal construction with a view to implement the legislative intent; and that but, if the



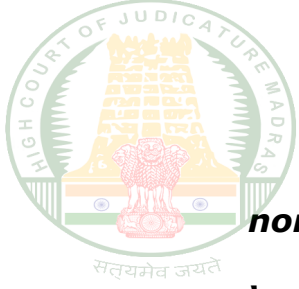
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beneficial legislation has provided a scheme of its own, the Court cannot travel beyond the same and extend the scope of the statute on the pretext of extending the statutory benefit to those, who are not covered thereby.

7. Section 163A was introduced in the Act by way of a social security scheme to pay compensation in accordance with the Second Schedule for a structured formula. Section 163A has an overriding effect and it provides for special provisions as to the payment of compensation on structured formula basis.

8. When the intention of the legislature and the wordings in the provision are clear and unambiguous, the Court must see if the claimant satisfies the requirements. If the requirements are satisfied, the Court need not go into the question of negligence and the Court can proceed further to grant compensation by applying the structured formula.

9. In the Second Schedule to the Act, the term '**permanent disablement**' has been referred to under the head "**disability in**



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non-fatal accidents". It has been clearly stated that the term **'permanent partial disablement/permanent total disablement'** shall be given the same meaning as set out in Schedule-1 of the Employees' Compensation Act (Workmen's Compensation Act). Therefore, the injuries, in order to be construed as **'permanent disablement'**, should necessarily fit into the requirements as listed in Schedule-1 of the Employees' Compensation Act (Workmen's Compensation Act). If the injuries sustained are not covered under any of the heads provided therein, the very claim made will become unsustainable.

10. In the case in hand, the injuries sustained by the appellant – claimant did not fit into the niche of permanent disablement as listed in Schedule-1 of the Employees' Compensation Act (Workmen's Compensation Act) and therefore, the very claim made by the appellant – claimant is not sustainable.

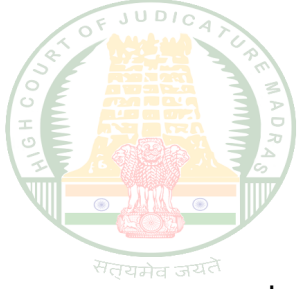
11. The Legislature thought it fit to fix an income ceiling of Rs.40,000/- to deal with a particular category of claims. Admittedly, in this case, the appellant - claimant pleaded in the claim petition



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that he was earning an income of Rs.10,000/- per month. This would mean that the appellant – claimant was earning a sum of Rs.1,20,000/- per annum. What has been prescribed under the provision is a maximum of Rs.40,000/- per annum.

12. The learned counsel for the appellant – claimant, by relying upon the judgment of the Hon'ble Apex Court in the case of ***Puttamma Vs. K.L.Narayana Reddy [reported in CDJ 2013 SC 1118]***, submitted that the ceiling of Rs.40,000/- was fixed in the year 1994 and thereafter, no amendment was brought in, that therefore, the Hon'ble Apex Court had taken that into consideration and urged the Central Government to bring in an amendment to raise the ceiling, that till such an amendment could be brought in, the Hon'ble Apex Court held that children upto the age of 5 years would be entitled to a fixed compensation of Rs.1 lakh and persons more than 5 years of age would be entitled to a fixed compensation of Rs.1,50,000/- and that this compensation would be paid in an application filed under Section 163A of the Act till such time the amendment was brought forth by the Central Government.

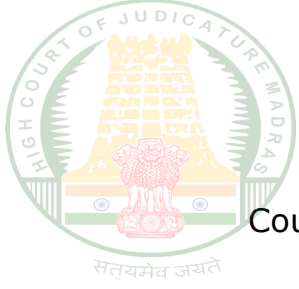


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13. The learned counsel appearing for the appellant – claimant also relied upon a judgment of the Division Bench of the Madurai Bench of this Court in **Tata AIG General Insurance Co.Ltd., Trichy Vs. S.Jona Lourdhu Rani [reported in CDJ 2026 MHC 1440]**.

14. The Division Bench of the Madurai Bench of this Court, in the decision in **S.Jona Lourdhu Rani**, held that the annual income fixed was Rs.40,000/-, that since Section 163A of the Act is a social security provision irrespective of the income earned by the injured/deceased, it should be confined to a sum of Rs.40,000/- per annum and that therefore, the compensation could be awarded.

15. With all due respects to the Hon'ble Division Bench of the Madurai Bench of this Court, which rendered the judgment in the case of **S.Jona Lourdhu Rani**, a Court cannot render a finding disregarding the specific provision of law and hold that whatever the annual income was earned by the injured/deceased, the Court should restrict the annual income to Rs.40,000/-. Such a finding rendered by the Hon'ble Division Bench of the Madurai Bench of this



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Court has to be necessarily held to be per incuriam since it has been rendered in utter disregard to the specific provisions of the Act. In view of the same, the judgment of the Hon'ble Division Bench of this Court in ***S.Jona Lourdhu Rani*** cannot be treated as a precedent.

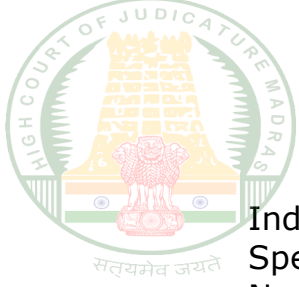
16. Even if this Court is to apply the Full Bench judgment of the Hon'ble Apex Court in ***Puttamma*** and grant a limited compensation, this Court finds that the injuries sustained by the appellant – claimant do not full-fill the requirements under Schedule II.

17. In the light of the above discussions, this Court does not find any ground to interfere with the impugned order.

18. Accordingly, this civil miscellaneous appeal is dismissed and the order dated 26.9.2023 made in M.A.C.T.O.P.No. 3190 of 2003 on the file of the Tribunal below is hereby sustained. No costs.

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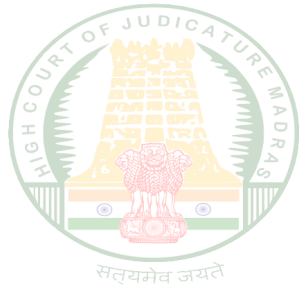
Index: Yes
Speaking order
Neutral Citation: Yes

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To
1.The Motor Accident Claims Tribunal
(V Court of Small Causes), Chennai

2.M/s.United India Insurance Co.Ltd.,
No.38, Anna Salai, Chennai -2.

RS



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N.ANAND VENKATESH,J

RS

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