IN THE HIGH COURT OF PUNJAB & HARYANA HIGH COURT AT CHANDIGARH

Civil Revision No.1663 of 2005 (O&M)

Date of Decision: 22.01.2015

National Insurance Co. Ltd.

.... Petitioner

Vs.

Amarjit Kaur and others

.... Respondents

CORAM: HON'BLE MR. JUSTICE JASWANT SINGH

Present: Mr. V. Ramswaroop, Advocate for the petitioner.

Mr. Vinay Puri, Advocate for respondent Nos.1 to 3.

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JASWANT SINGH, J. (ORAL)

Present revision has been filed by the Insurance Company aggrieved by the order dated 22.02.2005 (**Annexure P-6**), passed by the learned Motor Accident Claims Tribunal, Faridkot/Executing Court while upholding the calculations of the claimants for execution of the enhanced amount of compensation awarded by the Lok Adalat of this Court in first appeal regarding enhancement claimed by the claimants.

Learned Counsel for the petitioner/Insurance Company has argued that a total sum of ₹ 55,000/- only was enhanced by this Court vide order dated 26.07.1999 (**Annexure P-1**) while deciding the claim for enhancement of compensation of the claimants. The said amount stands paid and, therefore, nothing is due against the Insurance Company/judgment debtor.

On the other hand, learned Counsel for the respondents-claimants submits that the learned Motor Accident Claims Tribunal vide award dated 30.08.1997 has awarded a sum of ₹ 2,21,000/- as the principal amount along with interest at the rate of 12% per annum from the date of filing of the claim petition and till realization of the amount. Since this Court had enhanced the compensation of the principal amount of ₹ 2,21,000/- to ₹ 2,76,000/- by enhancing the amount for a sum of ₹ 55,000/-, the claim regarding interest would also be liable to be entertained in terms of the said order.

After hearing learned Counsel for the parties, this Court finds that there is no merit in the present revision.

It is not in dispute that the respondents-claimants were held entitled to a sum of ₹ 2,21,000/- with costs of ₹ 1000/- along with interest at the rate of 12% per annum from the date of filing of the claim petition till the date of realization as the total compensation for the death of Darshan Singh caused by the offending vehicle vide award dated 30.08.1997. It is also not in dispute that the Insurance Company was held vicariously liable for the payment of said compensation being the insurer of the insured vehicle. It is also not disputed that a principal amount of ₹ 2,21,000/- along with awarded interest was paid by the Insurance company on 27.03.1998, which came to ₹ 3,50,000/-. It is also not in dispute that the claimants in their first appeal before this Court had prayed for enhancement of the principal amount. The same was decided on 26.07.1999 by the Lok Adalat before this Court, which reads as under:-

> *"Present : Mr. B.S.Dhillon, Advocate.*
> *Mr. Amandeep Singh, Asstt. Manager,*
> *National Insurance Company.*
>
> *The present appeal is directed against the award of M.A.C.T. Faridkot dated 30.08.1997 in M.A.C.T. Case No.40 of 5.4.1991.*
>
> *Darshan Singh aged 25 years was killed in the accident, which took place on 7.4.1991. He left behind his widow, a minor son and his old parents dependent on him. He was running a flour mill and was also doing dairy business. The Tribunal worked out the income at Rs.1,500/- and awarded a sum of Rs.2,21,000/- as compensation, which in our view is inadequate.*

> *A compromise has been effected between the learned counsel for the appellants and the Insurance Company through Sh. Amandeep Singh, Asstt Manager, as a result of which the amount of compensation awarded by the Tribunal at Rs.2,21,000/- is agreed to be enhanced to Rs.2,76,000/-. The Insurance Company shall deposit the balance amount of Rs.55,000/- with the Tribunal within two months from the date of this Order, payable to the appellants in cash.*
>
> *The appeal is disposed of accordingly. A copy of this order be given to the learned counsel for the appellants and the Insurance Company within seven days free of cost."*

A perusal of the aforesaid order reveals that the learned Lok Adalat has clearly held that a sum of ₹ 2,21,000/- as compensation was inadequate and, therefore, with the concurrence of the Insurance Company, a compromise was arrived at resulting into order of enhancement of compensation awarded by the Tribunal from ₹ 2,21,000/- to ₹ 2,76,000/-, meaning thereby that the interest in terms of the order passed by the learned Tribunal was required to be paid by the Insurance Company on the enhanced amount of ₹ 55,000/-. It is also not in dispute that the aforesaid order dated 26.07.1999 (**P-1**) passed by the learned Lok Adalat was accepted by the Insurance Company and the same has attained finality.

In view of the above, it is explicit that the respondents-claimants are entitled to release of interest in terms of Award dated 30.08.1997 on the enhanced amount of compensation of ₹ 55,000/-, thus this Court finds no ground to invoke the extraordinary jurisdiction under Article 227 of the Constitution.

Dismissed.

January 22, 2015 **(JASWANT SINGH)**
Manoj/Gagan **JUDGE**