

**IN THE HIGH COURT OF JUDICATURE AT BOMBAY
CIVIL APPELLATE JURISDICTION**

FIRST APPEAL NO. 1087 OF 2015

Smt. Sandhya Anil Joshi & ors. ... Appellants

vs.

Shri. Nitin Ashok Ugale & ors. ... Respondents

Mr. Sachin Gite, Advocate for the appellants.

Mr. Ketan Joshi, Advocate for respondent no.3.

Coram : Smt. R. P. SondurBaldota, J.

Date : 28th March, 2016.

P.C.

1. Considering the short question involved in this first appeal, the learned advocates appearing for the appellants and respondent no.3, the only contesting respondent request that the appeal be disposed off finally at the stage of admission. The only challenge to the impugned award by the appellants is to the date from which the Tribunal has awarded interest on the compensation awarded to them. The Tribunal has awarded interest at the rate of 8% per annum from the date of passing of the award till realization of the entire amount.

2. Ordinarily the claimants are entitled to receive an interest on the compensation from the date of the claim. Section 171 of the Motor Vehicles Act allows the Tribunal to give direction for payment of simple interest at such rate and from such date as not earlier than the date of making the claim as specified in this behalf. In an exceptional case, for stating specific reasons, the Court may decide upon a date subsequent to the date of making the application as the date for payment of interest.

3. The learned advocate for the respondent no.3 Insurance Company opposes the application with submission that the very fact that the Court has specified the date from which the interest is to be paid, the requirement of Section 171 of Motor Vehicles Act stands satisfied.

4. The submission of the learned advocate for respondent no.3 cannot be accepted because the Tribunal has not stated any reason for depriving the appellants of the interest from the date on which the claim was made. Also there is no reason indicated in the record for denying interest to the appellants from the date of the claim. Therefore, the appeal is partly allowed.

Part (ii) of the operative order of the impugned award is modified to state that *“the respondents shall pay interest at the rate of 8% per annum from the date of filing of the claim till the realization of the entire amount.”*

[Smt. R. P. SondurBaldota, J.]