

HON'BLE SRI JUSTICE A. SHANKAR NARAYANA

M.A.C.M.A. No.2016 OF 2009

JUDGMENT:

The Oriental Insurance Company Limited, represented by its Branch Manager, Nizamabad, who is respondent No.2 in O.P. No.624 of 1999 on the file of the Chairman, Motor Accidents Claims Tribunal-cum-Additional District Judge, Nizamabad (for short, 'the Tribunal'), preferred the instant appeal under Section 173 of the Motor Vehicles Act, 1988 (for short, 'the Act'), assailing the order and decree dated 10.03.2004, whereby and whereunder, the Tribunal granted Rs.65,000/- towards compensation as against the claim of Rs.2,50,000/- laid under Section 166 of the Act for the injuries sustained by respondent No.1 herein in a road accident.

2. The appellant herein, who is the insurer of the accident vehicle, is respondent No.2, while respondent No.1 herein is the petitioner, and respondent No.2 herein, who is the owner of the accident vehicle, is respondent No.1 in the original petition.

3. For the sake of convenience, the parties hereinafter referred to as they were arrayed before the Tribunal in the original petition.

4. Heard Sri Ravi Shankar Jandhyala, learned Standing Counsel for the appellant-Insurance Company, and Sri Ch.Janardhan Reddy, learned counsel for respondent No.1-petitioner. Though,

service was completed on respondent No.2 herein-owner of the accident vehicle, none appears for him.

5. The taking place of accident and the petitioner sustaining injuries is not in dispute. Therefore, there is no need to advert to the fact-situation occurring in the instant case.

6. Learned Standing Counsel for the appellant-Insurance Company would bring it to the notice of this Court that the petitioner has preferred C.M.A. No.3779 of 2004 seeking enhancement of compensation on the ground that the amount of Rs.65,000/- granted towards compensation for the injuries sustained by him and the same was dismissed on 21.08.2015, holding that the said amount was just and adequate. Learned counsel, therefore, would contend that in view of the dismissal of the said appeal, the rate of interest granted by the Tribunal alone to be taken into consideration and reduce the same as the Tribunal granted rate of interest at 9% per annum.

7. Learned counsel for respondent No.1-petitioner would, of course, expresses ignorance as to the dismissal of C.M.A. No.3779 of 2004 filed by his client.

8. Be that as it may, when once C.M.A. No.3779 of 2004 seeking enhancement of compensation was dismissed by this Court, the amount of compensation determined by the Tribunal has to be maintained. However, the rate of interest at 9% per annum granted by the Tribunal requires reduction and, accordingly, reduced to 7.5% per

annum keeping in view, the decision of the Hon'ble Supreme Court in **Rajesh and others v. Rajbir Singh and others**¹, where the said rate of interest was awarded.

9. Accordingly, the instant appeal is allowed in part modifying the order passed by the Tribunal, by reducing the rate of interest, as indicated above, and confirming the order in all other respects. There shall be no order as to costs.

10. As a sequel thereto, miscellaneous petitions, if any pending in the instant appeal, stand closed.

21st September, 2016

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¹ 2013 ACJ 1403

A. SHANKAR NARAYANA, J

