

THE HON'BLE SRI JUSTICE A. SHANKAR NARAYANA

CIVIL MISCELLANEOUS APPEAL No.2971 OF 2004

JUDGMENT:

Aggrieved by the order and decree, dated 28.08.1998, in O.P.No.291 of 1992 passed by the learned Chairman, Motor Accidents Claims Tribunal-cum-II Additional District Judge, West Godavari District, Eluru (for short, 'the Tribunal'), whereby and whereunder, award of Rs.65,000/- was made for the death of one Samudayapalem Satyanarayana, who is the husband and father of petitioner Nos.1 and 2, respectively, in the said O.P., the present appeal is preferred by respondent No.3 – New India Assurance Company Limited on the main ground that the Tribunal went wrong in fastening liability on it and also sought for reduction of interest on the ground that the Tribunal awarded exorbitant rate of interest at 12% per annum on the amount awarded.

Heard Sri B.Venkateswara Rao, learned Standing Counsel for the appellant. The appeal against respondent Nos.3 and 4 was dismissed for default vide orders dated 04.11.2003 and 08.02.2016, respectively.

In fact, at the very outset, the appeal ought to be dismissed for the reason that it was already dismissed for default against respondent Nos.3 and 4 and no steps were taken to get the dismissal order set aside.

The only question now urged by learned Standing Counsel for the appellant is that the interest at 12% granted by the Tribunal is exorbitant and impermissible. If the ruling of the Hon'ble Apex Court in **Rajesh and others v. Rajbir Singh and others**¹ is applied, certainly, the interest at 12% per annum awarded by the Tribunal appears to be excessive. Therefore, the request to the extent of reduction of rate of interest from 12% per annum to 7.5% per annum is acceded to.

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 same in all other respects. There shall be no order as to costs.

Miscellaneous Petitions, if any, pending in this appeal, shall stand closed.

A. SHANKAR NARAYANA, J

September 12, 2017

v v

¹ 2013 ACJ 1403