

THE HON'BLE Dr. JUSTICE SHAMEEM AKTHER

M.A.C.M.A.No.2249 of 2005

JUDGMENT:

This appeal, under Section 173 of the Motor Vehicles Act, 1988, is filed by the appellant/United India Insurance Company Limited, aggrieved by the grant of compensation of Rs.3,06,500/- as against a claim of Rs.1,50,000/- to the respondents 3 & 4/claimants, by the Chairman, III Motor Accident Claims Tribunal, Warangal ('the Tribunal', for brevity), vide order, dated 03.09.2004, passed in O.P.No.1526 of 2002.

2. Heard the learned Standing Counsel for appellant-Insurance Company and perused the record. In spite of service of notice, there is no representation for the respondents 3 & 4/claimants. This appeal is of the year 2005. It underwent several adjournments. Hence, this appeal can be disposed of on merits without waiting for the learned counsel for the respondents 3 & 4/claimants to advance arguments.

3. The learned Standing Counsel for the appellant-Insurance Company would contend that the Tribunal had granted compensation of Rs.3,06,500/- as against a claim of Rs.1,50,000/- on account of the death of the deceased-Manche Lachamma, which is exorbitant. The Tribunal had granted interest at the rate of 9% per annum on the amount granted as compensation, which is excessive and ultimately prayed to reduce the amount of compensation granted in favour of

respondents 3 & 4/claimants as well as the interest awarded thereon.

4. As seen from the entire material placed on record, though the respondents 3 & 4/claimants claimed a compensation of Rs.1,50,000/-, the Tribunal awarded an amount of Rs.3,06,500/- as compensation with interest at the rate of 9% per annum. The Tribunal had taken correct age, applied correct multiplier and awarded compensation. The Tribunal, relying on the decisions of the various High Courts and the Apex Court, granted compensation of Rs.3,06,500/- to the respondents 3 & 4/claimants, which is just and reasonable. There is no infirmity with regard to the assessment and grant of compensation by the Tribunal. It is apt to refer to the decision of the Apex Court in *Dharampal Vs. State Road Transport Corporation*¹, wherein, the Apex Court awarded interest at the rate of 7.5% per annum on the amount awarded as compensation in the cases of this nature. There are number of other citations, wherein, interest was awarded at the rate of 7.5% per annum on the amount awarded as compensation in the cases of this nature. In view of the same, awarding interest at the rate of 9% per annum on the amount awarded as compensation by the Tribunal is held excessive.

5. Accordingly, this appeal is allowed in part modifying the order, dated 03.09.2004, passed by the Tribunal, only to the extent of reducing the interest on total compensation amount

¹ MANU SC 7680 2008

from 9% per annum to 7.5% per annum from the date of application till realisation. The other terms of the Order under challenge remain unaltered. On deposit of the compensation, the respondents 3 & 4/claimants are permitted to withdraw the entire amount with interest.

Miscellaneous Petitions pending, if any, shall stand closed.

No order as to costs.

Dr. SHAMEEM AKTHER, J

14th June, 2018
Bvv

