

THE HON'BLE Dr. JUSTICE SHAMEEM AKTHER

M.A.C.M.A.No.3098 OF 2005

JUDGMENT:

This appeal is filed under Section 173 of the Motor Vehicles Act, 1988 (for short, 'the Act'), by the appellant-Insurance Company aggrieved by the order dated 10.09.1997 in O.P.No.874 of 1992 on the file of the Motor Accident Claims Tribunal-cum-Additional District Judge, Khammam (for short, 'the Tribunal').

2. Heard the learned counsel for the appellant-Insurance Company, the learned counsel for the respondent-claimant and perused the record.

3. Learned counsel for the appellant-Insurance Company would contend that the Tribunal granted excess compensation and, erroneously made the appellant liable to pay the same to the claimant and ultimately prayed to set aside the same.

4. Learned counsel for the respondent-claimant would contend that the Tribunal had taken all the facts and circumstances into consideration and granted just and reasonable compensation. There are no circumstances to interfere with the order under challenge and ultimately prayed to dismiss the appeal.

5. It is evident from the record that the Tribunal had granted compensation of Rs.10,000/- with interest @ 12% per annum from the date of petition till the date of realisation. The Tribunal had taken all the facts and circumstances into consideration in assessing and awarding the compensation.

6. Due to the rash and negligent driving of the driver of the lorry bearing No.AAV 8384, the accident occurred and the mini lorry bearing

No.AEH 900 of the 1st respondent got damaged. There is no infirmity in assessing and awarding the compensation of Rs.10,000/- to the claimant.

7. As regards rate of interest, 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 @ 7.5% per annum on the amount awarded as compensation. In view of the same, awarding interest @ 12% per annum on the amount awarded as compensation by the Tribunal is held excessive.

8. Accordingly, this appeal is allowed in part modifying the order dated 10.09.1997 passed by the Tribunal in O.P.No.874 of 1992, only to the extent of awarding interest @ 7.5% per annum on the amount granted as compensation from the date of petition till realisation. The other terms of the order under challenge remain unaltered. On deposit of the compensation, the respondent-claimant is permitted to withdraw the entire amount with interest.

The Miscellaneous Petitions, if any, pending shall stand closed.

No costs.

Dr. SHAMEEM AKTHER, J

Date: 17.07.2018
ssp

¹ MANU SC 7680 2008