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O.ic. Ltd Vs. Rekha and ors

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SooperKanoon Citation : sooperkanoon.com/1095629

Court : Rajasthan Jodhpur

Decided On : Oct-18-2013

Appellant : O.ic. Ltd

Respondent : Rekha and ors

Judgement :

1 IN THE HIGH COURT OF JUDICATURE FOR RAJASTHAN AT JODHPUR :

JUDGMENT
: S.B.CIVIL MISC.

APPEAL NO.1478/2013 Shriram General Insurance Company Ltd., Jaipur versus Smt.

Ram Kunwar & ORS.Date of Judgement 18th October, 2013 PRESENT HON'BLE Mr.JUSTICE ARUN BHANSALI Mr.Vinay Kothari, for the appellant.

BY THE COURT: ---- This appeal is directed against the judgment and award dated 08.02.2013 passed by the Motor Accident Claims Tribunal No.1, Udiapur ('the Tribunal').whereby, the Tribunal has awarded lump sum compensation of Rs.5,00,000/- for the death of one Hans Veer Singh, who was aged about 25 years and was unmarried.

The Tribunal has also awarded interest @ 9% per annum from the date of filing application i.e.14.03.2011 and has further directed that in case the payment of

compensation is not made by the appellant Insurance Company within a period of 30 days, interest @ 12% per annum would be applicable.

It is submitted by learned counsel for the appellant that the Tribunal was not justified in awarding a lump sum compensation in the facts and circumstances of the case.

It is also submitted that the award of penal interest is contrary to the law laid down by the Hon'ble Supreme Court in the case of National Insurance Company Ltd.v.Keshav Bahadur & ORS.: (2004) 2 SCC370 Having considered the submissions made by learned 2 counsel for the appellant and having gone through the award passed by the Tribunal, the award of lump sum compensation, in the facts and circumstances of the case, cannot be said to be unjustified and, therefore, no interference is called for.

However, the direction to pay penal interest @ 12% per annum instead of 9% per annum in case the amount was not paid within a period of 30 days is apparently contrary to the law laid down by Hon'ble Supreme Court in the case of Keshav Bahadur (supra).In view of the law laid down by the Hon'ble Supreme Court, the said direction being contrary to the settled law cannot be sustained and to the said extent the said direction issued by the Tribunal is modified and it would be required of the appellant Insurance Company to make payment of interest @ 9% per annum only.

With the above modification, the appeal stands disposed of.

The stay application also stands disposed of.

(ARUN BHANSALI).J.

A.K.Chouhan/- 82

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