

U.P. State Road Transport Corporation Vs Km. Rajni under the guardianship of her mother, Smt. Rukmini Devi

Court: Allahabad High Court

Date of Decision: Aug. 28, 2008

Citation: (2009) 1 AWC 700

Hon'ble Judges: Amitava Lala, J; A.P. Sahi, J

Bench: Division Bench

Final Decision: Disposed Of

Judgement

Amitava Lala, J.

This is an appeal of the Uttar Pradesh State Road Transport Corporation (hereinafter called as the "Corporation")

challenging the judgement and order dated 22nd May, 2008 passed by the concerned Motor Accident Claims Tribunals, Mainpuri. The awarded

amount is Rs. 2,00,000/- as total compensation considering all counts in a case of amputation of left leg below knee of a minor girl. We find that

consideration of cause for the purpose of paying compensation is appropriate. Therefore, we do not find any justification to interfere with the

impugned judgement on such ground.

2. So far as other point as raised by the learned Counsel appearing for the appellant about the rate of interest, which has been given at 12% per

annum, is concerned, he contended by showing paragraph-39 of the judgement reported in United India Insurance Co. Ltd. Vs. Patricia Jean

Mahajan and Others Etc. Etc., that the rate of interest would be 9% in the place and instead of 12% since it is declining. We are of the view that it

requires little; consideration.

3. Learned Counsel appearing for the appellant further submitted that J under similar circumstances when 12% interest was awarded by the

tribunal, this Court in First Appeal From Order No. 2478 of 2008 (U.P. State Road Transport Corporation v. Smt. Lajja Dixiti and Ors.) decided

on 19th August, 2008 remanded the matter for reconsideration. So far as referred judgement of the Supreme Court is concerned, we are of the

view that only cause for reduction of interest has been shown on account of decline of rate of interest. We say that interest will be calculated as per

the Interest Act or as per the modes given under the CPC or as per the rate of interest of the nationalised banks, Much is normally given on

account of the fixed deposits. We are not aware whether any banking rate of interest of 12% has been given in the nationalised bank now-a-days

or not, but one aspect is very clear that the rate of interest is not declining now-a-days. In any event, one fact is very certain that it is not less than

9%.

4. Therefore, the appeal will be treated to be disposed of at the stage of admission by holding a view that entire sum of Rs. 2,00,000/- along with

interest at the rate of 9% per annum will be released in favour of the claimant immediately upon deposit of the same. So far as balance 3% interest

is concerned, the appellant-Corporation is at liberty to make application for rectification in the tribunal.

5. In turn, the tribunal, upon notice to all concerned and upon giving adequate opportunity of hearing and collecting data from the bank/s, will

assess the appropriate rate available to them and the mode of increase or decrease. If it appears that any rate can be fixed over and above 9%

then the same can be directed to be made. However, under no circumstances the payment of the aforesaid amount as directed by this Court will

be stalled.

6. Thus, we allow the appeal to that extent and accordingly dispose of the appeal at the stage of admission, however, without imposing any cost.

7. Incidentally, the appellant-Corporation prayed that the statutory deposit of Rs. 25,000/- made before this Court for preferring this appeal be

remitted back to the concerned Motor Accidents Claims Tribunal as expeditiously as possible in order to adjust the same with the amount of

compensation to be paid to the claimants, however, such prayer is allowed.

I agree.