
(2007) 02 DEL CK 0080
In the Delhi High Court
Case No : F.A.O. No. 274 of 1995

Delhi Transport Corporation	Vs	APPELLANT
Smt. Satwari Devi Bhardwaj and Others		RESPONDENT

Date of Decision : 02-02-2007

Acts Referred:

Motor Vehicles Act, 1988 — Section 171

Citation : (2007) 1 ACC 739 : (2007) 138 DLT 177 : (2007) 94 DRJ 774

Hon'ble Judges : Vidya Bhushan Gupta, J

Bench : Single Bench

Advocate : J.N. Aggarwal, for the Appellant; None, for the Respondent

Final Decision : Dismissed

Judgement

V.B. Gupta, J.—Appellant has filed the present appeal against the judgment and award dated 4th January, 1995 and order dated 26th

October, 1995 passed by Shri Charanjeet Jawa, Judge, Motor Accident Claims Tribunal (for short as "Tribunal"), Delhi.

2. Brief facts of the case are that the Respondents No. 1 to 4 filed a petition on account of death of one Ram Prakash in a road accident involving

bus No. DEP 8875 allegedly driven rashly and negligently by the Respondent No. 5.

3. Parties settled their case before the Lok Adalat on 10th December, 1994 for a sum of Rs. 2,80,000/- minus Rs. 25,000/-(already paid) in full

and final settlement of the Respondent's claim. The grievance of the Appellant is that the learned Tribunal vide order dated 4th January, 1995

passed the award and modified it with a direction to pay the award amount within 30 days failing which to pay interest at the rate of 12 % per

annum. The direction to pay the interest is contrary to the settlement between

the parties at the Lok Adalat and this direction was liable to be recalled. Accordingly, the Appellant filed a review application for reviewing the award dated 4th January, 1995 and to pass the order to pay interest from the date of order till its realisation, instead of from the date of filing of the petition. The said review application was dismissed vide impugned order dated 26th October, 1995 hence this appeal.

4. On 31st January, 2007, none appeared on behalf of the Respondents and as such arguments of the Appellant were heard.

5. It has been contended by learned Counsel for the Appellant that the award dated 4th January, 1995 as well as the order dated 26th October, 1995 passed on the review application is contrary to law and without jurisdiction. The learned Tribunal has no jurisdiction to award interest or

modify the terms of the settlement arrived at between the parties before the Lok Adalat and make a new award for the parties. The learned

Tribunal erred in granting interest to the Respondents No. 1 to 4 from the date of petition, when the parties never agreed in the settlement and

accepted the lumpsum award.

6. It is an admitted fact that the matter was settled in the Lok Adalat on 10th December, 1994 and the award was passed on 4th January, 1995 by

the learned Tribunal. This was a compromise award and it has been clearly stipulated that Respondents are directed to deposit the same within 30

days from today failing which interest @ 12% per annum from the date of petition shall be chargeable?.

7. It would not be out of place to mention that, as per application for recording the compromise made before the Lok Adalat, the Appellant has

agreed to deposit the cheque for the award amount in the court in the names of claimants within one month from the date of passing of the award

failing which they are to be liable to pay interest @ 12% per annum from the date of passing of the award. The Appellant, if had any grievance

against the order dated 4th January, 1995 passed by the Learned Tribunal, could have challenged the same but admittedly the Appellant did not

challenge the compromise award and after deep slumber, on 18th September, 1995, i.e. more than 8 months, after the award has been passed,

moved an application for review. Admittedly, review application was hopelessly time barred and as such it was rightly rejected by the Learned

Tribunal.

8. Section 171 of the Motor Vehicles Act, 1988 deals with the powers of Tribunal to award interest and it reads as under:

171. Award of interest where any claim is allowed Where any Claims Tribunal allows a claim for compensation made under this Act, such Tribunal

may direct that in addition to the amount of compensation simple interest shall also be paid at such rate and from such date not earlier than the date

of making the claim as it may specify in this behalf.

9. As per this provision, the Tribunal is empowered to award simple interest at such rate and from such date not earlier than the date of making the

claim as it may specify in this behalf. No distinction has been made in case of award based on compromise and award based on contested case.

The purpose of awarding interest is only to compel the Judgment Debtor to deposit the amount within the prescribed period. As such, the order

passed by the Tribunal, awarding 12% interest from the date of petition was in consonance with the provisions of Section 171 of the Motor

Vehicle Act.

10. As per the order dated 26th September, 1995 passed by the Learned Tribunal while dismissing the review application, it has been clearly

stated that no amount of principal award has yet been deposited by the Appellant and had the Appellant been sincere, It could have at least

deposited the awarded amount by this time when more than 9 months have passed.

11. Under these circumstances, the present appeal is not maintainable, firstly, the award dated 4th January, 1995 was not challenged within the

period of limitation and secondly, the review application of the Appellant was rightly dismissed by the Learned Tribunal being barred by limitation

as well as on merits.

12. The present appeal is accordingly dismissed. No order as to cost.

13. Copy of this judgment be sent to the Trial Court and trial Court record be sent back forthwith.