

(1988) 07 RAJ CK 0050
In the Rajasthan High Court

Kalpana

APPELLANT

Vs

Om Parkash

RESPONDENT

Date of Decision : 18-07-1988

Acts Referred:

Citation : (1989) 1 ACC 183 : (1989) ACJ 290

Hon'ble Judges : J.S. Verma, C.J;Farooq Hasan, J

Bench : Division Bench

Judgement

J.S. Verma, C.J.—This is a claimants special appeal against the judgment of a learned Single Judge arising out of the award of the Accident Claims Tribunal.

2. The claimants were awarded an amount of Rs. 54,800/- as total compensation as a result of a fatal accident in which the deceased succumbed to the injuries sustained in the accident. The learned Single Judge has enhanced the amount of compensation by awarding an additional amount of Rs. 41,200/- to the amount already awarded by the Tribunal. However, the learned Single Judge has directed the payment of interest at Rs. 12/-per cent per annum on the enhanced amount only, in case the payment was not made within three months from the date of the decision. It is common ground before us that the insurer has paid the enhanced amount of compensation within the period of three months on account of which no interest was required to be paid to the claimants on the additional amount of compensation.

3. The only point urged by the learned Counsel for the appellants is that the interest should ordinarily have been awarded on the entire amount of compensation including the enhanced amount. It is urged that the denial of interest on the additional amount of compensation is contrary to the settled practice and numerous decisions on the point. In reply, the learned Counsel for the insurer contended that it is not necessary to award interest in every case, and since the additional amount of compensation has been paid within the time allowed, no interest thereon should be awarded.

4. In our opinion, the contention of learned Counsel for the appellants relating to interest should be accepted. Ordinarily, interest is to be awarded from the date of the application until payment, and this principle should have been applied even in respect of the enhanced amount of compensation, which the learned Single Judge awarded in appeal. There is no reason to depart from this settled practice. It cannot be doubted that interest would have been awarded on the entire amount, had it been awarded initially by the Tribunal itself. The result of enhancement of the amount of compensation in appeal should have the same effect. We accordingly direct that the claimants shall be entitled to get interest at Rs. 12/-percent per annum also on the enhanced amount of compensation from the date of the claim petition until payment of that amount to the claimants.

5. Consequently, this appeal is allowed to the above extent. The appellants shall also get costs from the insurer-respondent No. 3. Counsel's fee at Rs. 200/- is certified.