
(2011) 05 JH CK 0056

In the Jharkhand High Court

Case No : Misc. Appeal No. 290 of 2009

National Insurance Company Ltd.

APPELLANT

Vs

Kulwinder Kaur and Others

RESPONDENT

Date of Decision : 03-05-2011

Acts Referred:

Motor Vehicles Act, 1988 — Section 140

Citation : (2011) 05 JH CK 0056

Hon'ble Judges : Prashant Kumar, J

Bench : Single Bench

Judgement

Prashant Kumar, J.—This appeal is directed against the award dated 1st September 2009 in connection with compensation case No. 295 of 2003 passed by learned Presiding Officer, Motor Vehicle Accident Claims Tribunal, Ranchi whereby and whereunder he awarded compensation to the tune of Rs. 8,38,508/- in favour of Respondents. It is however directed that, since Rs. 50,000/- has already been paid to the claimants u/s 140 of the Motor Vehicle Act, on the date of award Appellant should only pay Rs. 7,88,508/- with 7% interest from 5.8.2008. Tribunal further directed that if the aforesaid compensation amount will not be paid within 60 days, then Appellant is liable to pay penal interest at the rate of 9% per annum.

2. Learned Counsel for the Appellant submits that court below has applied multiplier of "18" which is arbitrarily disproportionate to the age of deceased. As per Appellant, suitable multiplier is not more than 12 or 13. It is further submitted that learned Tribunal has awarded penal interest of 9%, if the payment will not be made within 60 days from the date of award. This is also illegal because there is no such provision under the Motor Vehicle Act for awarding penal interest.

3. Having heard the submission, I have gone through the certified copy of impugned award. From perusal of award I find that court below has given finding that age of deceased is in the group of 25-30 years. Thus as per Second

Schedule of Motor Vehicle Act suitable multiplier will be "18". It is not disputed by learned Counsel for the Appellant that at the time of accident, age of deceased was 27 years. After taking into account several decisions of Hon'ble Supreme Court in this regard I find no illegality in the decision of learned court below for adopting multiplier of "18". Thus I find no force in the aforesaid contention raised on behalf of Insurance company.

4. So far next contention is concerned, I find that it is conditional. If the Insurance Company make payment within 60 days, then its liability is only to pay 7% interest and if the said payment made after 60 days, then company is liable to pay 9% interest on compensation amount. Thus it cannot be said that any penal interest imposed upon the Insurance Company, rather learned Tribunal has given alternative direction in this regard.

5. However learned Counsel for the Appellant submits that Appellant may be given a reasonable time so that he can pay compensation amount to the claimant with 7% interest. Learned Counsel for Respondent No. 1 has no objection to aforesaid submission. Accordingly, I direct Insurance Company(Appellant) to deposit cheque of awarded amount along with 7% interest till the date of payment by 4th of July 2011 in the learned Tribunal from where claimants will receive the same.

6. It is however made clear that if Insurance-Company will not deposit cheque by 4th of July 2011, then Insurance Company will be liable to pay 9% interest on the entire awarded amount.

7. It appears that Rs. 25,000/-has been deposited in this Court, therefore same shall be returned to the Insurance-company.

8. With the aforesaid observation and direction, this appeal is disposed of.