
(2004) 03 RAJ CK 0007
In the Rajasthan High Court

State of Rajasthan and Others

APPELLANT

Vs

Maresh Kumar Madan and Another

RESPONDENT

Date of Decision : 16-03-2004

Acts Referred:

Motor Vehicles Act, 1988 — Section 140, 166, 171

Citation : (2004) 3 ACC 573 : (2004) 3 WLC 256

Hon'ble Judges : P.C. Tatia, J

Bench : Single Bench

Judgement

Prakash Tatia, J.

Heard learned Counsels for the parties.

1. The only point involved in this appeal is that whether any interest can be granted over the compensation awarded u/s 140 of the Motor Vehicles Act, 1988 (hereinafter referred to as "the Act of 1988").

2. In this case, the Motor Accident Claims Tribunal, Hanumangarh (hereinafter referred to as "the Tribunal") awarded compensation of Rs. 50,000/- to the claimants on Account of no fault liability u/s 140 of the Act of 1988. While doing so, the Tribunal also awarded interest over the said compensation @ 8% per annum. According to the learned Counsel for the appellant, the interest is not allowable in a case where any compensation awarded u/s 140 of the Act of 1988.

3. I considered the submissions of learned Counsel for the appellant and perused the interim award u/s 140 as well as u/s 171 of the Act of 1988. It is true that in Sub-section (2) of the Section 140 of the Act of 1988, it is-mentioned that the amount of compensation, which shall be payable under Sub-section (1) of Section 140 of the Act of 1988 shall be a fixed sum of Rs. 50,000/- in a case of death of the victim and fixed a sum of Rs. 250,000/- in a case of permanent disablement of the injured in the Accident. The words "fixed sum" has direct connection only with the amount of compensation. Meaning thereby the compensation shall not be more or less than the Rs. 50,000/- or Rs. 25,000/- as

the case may be. The Section 140 of the Act of 1988 deals with the compensation only whereas Section 171 permits the award of interest over the compensation amount. The Section 171 says that where any Claims Tribunal allows a claim for compensation under the Act of 1988, 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. Meaning thereby the Tribunal has been given jurisdiction to award interest over the compensation irrespective of the fact whether award of compensation is u/s 140 or u/s 166 of the Act of 1988.

4. In view of the above, I do not find any merit in this appeal. Hence, the appeal of the appellant is dismissed and the stay order granted by this Court is vacated.