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JAGBIR SINGH & ORS.

v.

GENERAL MANAGER, PUNJAB ROADWAYS & ORS.

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OCTOBER 24, 1986

[R.S. PATHAK AND V. KHALID, JJ.]

*Motor Vehicles Act, 1939: ss. 110, 110A, 110B and 110CC—  
Motor accident claim—Quantum of compensation—Determination by  
Tribunal—Validity of—Rate of interest—Entitlement of the claimant.*

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A State Roadways bus met with an accident resulting in the death of three persons. On an application being filed on behalf of one of the persons, the Motor Accident Claims Tribunal awarded a compensation of Rs.93,600 to the widow and the minor children of the deceased, with interest at 6 per cent per annum.

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The claimants as well as the State appealed to the High Court, which dismissed the claimants' appeal, and partly allowed the appeal by the State. While holding that the accident was caused by the rash and negligent act of the driver of the bus, the High Court reduced the compensation to Rs.79,200 but confirmed the award of interest made by the Tribunal.

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In the special leave petition it was contended for the petitioners-claimants that they were entitled to an even greater amount of compensation on account of the different sources of income arising to the deceased.

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Disposing of the special leave petition, the Court,

**HELD:** The High Court erred in reducing the quantum of compensation awarded by the Tribunal. There was sufficient material on the record to justify the quantification determined by the Tribunal and there was no reason why the amount should have been reduced. The amount of compensation assessed by the Tribunal should, therefore, be maintained. [1097B-D]

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The petitioners are entitled to interest at 12 per cent per annum

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A from the date of the application for compensation to the date of payment. [1097F]

B *Narchinva V Kamat & Anr. Etc. v. Alfredo Antonio Doe Martins & Ors.*, AIR 1985 SC 1281 and *Smt. Chameli Wati & Anr. v. Municipal Corporation of Delhi & Ors.*, AIR 1986 SC 1191, referred to.

CIVIL APPELLATE JURISDICTION: Special Leave Petition (Civil) No. 2023 of 1983.

From the Judgment and Order dated 26.8.82 of the High Court of Punjab & Haryana in L.P.A. No. 1172/82.

C Hardev Singh and R.S. Sodhi for the Petitioners.

The Order of the Court was delivered by

D PATHAK, J. This case has been pending in this Court for some years. On November 21, 1983 we directed issue of notice on the special leave petition. Almost three years later, on August 11, 1986 when the case was taken up it was found that the respondents had not entered appearance yet and consequently notice was directed to issue afresh, indicating this time that the case would be decided on the merits of the controversy itself between the parties. On the latter date when no one appeared for the respondents, the case was adjourned for two weeks again to enable the respondents to enter appearance. Thereafter on September 22, 1986 an order was made for the last time directing issue of notice to the respondents returnable on October 20, 1986 and intimating that the special leave petition would definitely be taken up on that date for final disposal on the merits of the case. It was made clear that the case would not be adjourned on any account. We find that the respondents continue to be absent. No reason has been shown for their absence, and in the circumstances we proceed to dispose of the case.

G A bus belonging to the Punjab Roadways met with an accident on February 13, 1971, which resulted in the death of three persons. One of those persons was Balbir Singh. An application was filed by the petitioners, who are the widow and minor children of Balbir Singh, for compensation before the Motor Accident Claims Tribunal. By an order dated October 23, 1975 the Tribunal held the claimants entitled to compensation in the sum of Rs.93,600 with interest at 6 per cent per annum. Dissatisfied with the order, the claimants as well as the State

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Government appealed to the High Court of Punjab and Haryana. The High Court dismissed the appeal filed by the claimants and partly allowed the appeal by the State. The High Court, while holding that the accident was caused by the rash and negligent act of the driver of the bus, reduced the compensation to Rs.79,200 but confirmed the award of interest made by the Tribunal.

After carefully considering the matter we think that the High Court erred in reducing the quantum of compensation awarded by the Tribunal. There was sufficient material, in our opinion, to justify the quantification determined by the Tribunal and we see no reason why the amount should have been reduced. It was strenuously contended by learned counsel for the petitioners that the petitioners are entitled to an even greater amount of compensation, in view of the different sources of income arising to the deceased Balbir Singh. We think, however, that having regard to the material on the record the amount of compensation assessed by the Tribunal should be maintained. Accordingly we restore the order of the Tribunal awarding compensation in the sum of Rs.93,600.

In regard to the interest, however, we think the petitioners are entitled to a higher rate of interest than that awarded by the Tribunal and confirmed by the High Court. We find that in *Narchinva V. Kamat and Anr. Etc. v. Alfredo Antonio Doe Martins & Ors.*, A.I.R. 1985 SC 1281, this Court awarded interest at 12 per cent from the date of the accident up to the date of payment. Subsequently in *Smt. Chameli Wati & Anr. v. Delhi Municipal Corporation of Delhi and Others*, A.I.R. 1986 SC 1191, a larger Bench of this Court awarded compensation at 12 per cent per annum from the date of the application for compensation. We are of opinion that the petitioners should be entitled to interest at 12 per cent per annum from the date of the application for compensation to the date of payment. We order accordingly.

The special leave petition is disposed of in these terms.

P.S.S.