

Karnataka State Road Transport Corporation

Vs

R. Sethuram and Another

Civil Appeal No. ... of 1998 (Arising out of SLP (C) No. 14112 of 1996)

(N. P. Singh, K. Vankataswami JJ)

01.08.1996

ORDER

1. Leave granted.
2. This appeal has been filed on behalf of the Karnataka State Road Transport Corporation challenging the validity of the award given by the Motor Accidents Claims Tribunal-V, Bangalore City in a motor accident case which has been affirmed by the High Court. The High Court has also enhanced the rate of interest over the amount awarded as compensation from 6% to 12% on a cross-objection filed on behalf of Respondent 1 (hereinafter referred to as "the respondent").
3. On 6-12-1982 at about 6.00 p.m., the said respondent along with his wife was going on a scooter in the city of Bangalore when an accident took place with a bus bearing No. MYF 700 belonging to the appellant-Corporation. Because of the aforesaid accident, serious injuries were sustained by the respondent including fractures of bone. It may be mentioned that the said respondent was working as Mechanical Engineer at Houston, Texas, at U.S.A. on monthly salary of Rs 15,000, in terms of dollars, it was \$ 2000 per month. The respondent claimed an amount of Rs 31,55,004.04 as compensation for the injuries suffered by him on account of the accident aforesaid. The Tribunal after consideration of the relevant materials including the evidence adduced on behalf of the parties, awarded an amount of Rs 23,32,900 and directed payment of interest at the rate of 6% per annum of the said amount from the date of filing the application.
4. An appeal was filed against the said award on behalf of the appellant-Corporation. The respondent also filed a cross-objection and sought enhancement of the amount of compensation including the rate of interest. The appeal filed on behalf of the Corporation was dismissed but the High Court enhanced the rate of interest from 6% to 12%. We have perused the judgment of the Tribunal as well as of the High Court. We are of the opinion that there is no scope for interfering with the total amount which has been assessed to be payable to the respondent as compensation, i.e., Rs 23,32,900. However, so far the enhancement of interest is concerned, we are of the opinion that as this accident took place in 1982 and an amount of Rs 23,32,900 had been awarded by the Tribunal as compensation for the injuries sustained by the respondent, there was no justification on the part of the High Court to enhance the rate of interest from 6% to 12%. Accordingly, that part of the direction of the High Court is set aside. The respondent shall be entitled only to the interest at the rate of 6% over the amount awarded. This has to be worked out with reference to the amount which has already been paid to the respondent and the balance amount which is payable.
5. The amount awarded to the respondent be paid by the appellant-Corporation as early as possible.

6. The appeal is allowed in part with no costs.