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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**

Date of Decision: 30th March, 2016

\+ **MAC.APP. 601/2015**

THE NEW INDIA ASSURANCE CO LTD ..... Appellant

Through Mr. J P N Shahi, Adv.

versus

URMILA BAEE & ORS ..... Respondent

Through Mr. Suraj Saxena, Adv. for R-1 to 7

CORAM:
HON'BLE MR. JUSTICE R.K.GAUBA

JUDGMENT

R.K.GAUBA, J (ORAL):

1. By judgment dated 13.05.2015 in accident claim case presented by the first to seventh respondents herein (claimants), registered as MAC petition no.86/13, the motor accident claims tribunal (the tribunal) awarded compensation in the sum of Rs.12,07,000/- with interest at 12% per annum from the date of filing of the petition (10.04.2013) on account of death of Ram Prasad in a motor vehicular accident involving bus bearing registration No. DL 1PB 8385 (the offending vehicle), which was admittedly insured against third party risk with the appellant insurance company (insurer). The liability to indemnify under the insurance policy having been admitted the appellant was called upon to satisfy the award.

2. By appeal at hand the insurer raises only one issue i.e. the rate of interest levied at 12% per annum with observations (in para 25 of the impugned judgment) that the insurance company had dragged feet in a matter knowing full well it had not statutory defence.

3. Having heard the learned counsel on both sides, and having gone through the tribunal's record, this Court finds that both sides must share the blame for delay in adjudication of the claim petition and, therefore, there is no justification for the rate of interest being levied higher than the ordinary.

4. Following the consistent view taken by this Court [see judgment dated 22.02.2016 in MAC.APP. 165/2011 *Oriental Insurance Co Ltd v. Sangeeta Devi & Ors*.], the rate of interest is reduced to 9% per annum from the date of filing of the petition till realization.

5. By order dated 31.07.2015, it had been directed that the executing forum shall not take into consideration the rate of interest for the purpose of realizing the compensation awarded. The insurer is now directed to satisfy the award with modified rate of interest by depositing the compensation in terms of the impugned judgment with the tribunal within 30 days of this judgment whereupon it shall be released to the claimants.

6. Statutory deposit, if made, shall be refunded.

7. The appeal is disposed of in above terms.

R.K. GAUBA
(JUDGE)

MARCH 30, 2016
VLD