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

\+ MAC.APP. 983/2014

MANISHA KHUMBHAR & ORS ..... Appellant

Through Mr. Rajesh Saxena and Mr. L. Bhardwaj, Advocates.

versus

RAVINDER KUMAR & ORS (THE NATIONAL INSURANCE CO.) ..... Respondent

Through Mr. Harpreet Singh, Advocate.
Mr. Shaumik Mazumdar, Advocate for R3.

CORAM:
HON'BLE MR. JUSTICE NAJMI WAZIRI

<u>O R D E R</u>
% 24.04.2017

The short question involved in this case is whether the interest should be awarded from the date of claim or from the date the insurance company was impleaded in the claim proceedings.

The learned counsel for the appellants refers to Section 171 of the Motor Vehicles Act, 1988 which provides for "award of interest where any claim is allowed". It reads as under:

Section 171 of the said Act reads as under:

> "Where any Claims Tribunal allows a claim for compensation made under this Act, 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."

The Insurance Company has been held liable to pay compensation for the motor vehicle accident. The relevant portion of the impugned order records as follows:

> "<u>Interest</u>
>
> 18. There is no material on record to withhold the interest and as, such, the petitioners are awarded interest' @ Rs.7.5% (sic) per annum from the date of first appearance of the Insurance company, i.e. 25.07.2012 till its realization."

The Learned counsel for the respondent submits that there is no dispute that the vehicle was insured at the time of accident.

The Court is of the view that if the liability of the insurer has been ascertained and the compensation quantum too has been calculated, the amount would be payable from the date of the Claim Petition. Merely because the insurer was impleaded later would not restrict its liability from the date of its impleadment. It is not as if the insurer agreed to pay the compensation upon its impleadment but instead it contested the case. Accordingly the interest from the date of the Claim Petition under Section 171 of the Act shall be payable. The insurer shall pay interest at the rate of 7.5% per annum from the date of the Claim Petition, i.e., 02.12.2002.

Let the requisite amount be deposited by the Insurance Company within four weeks from today.

The appeal is disposed off in the above terms.

NAJMI WAZIRI, J

APRIL 24, 2017

dr