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

Decided on: 19th September, 2017

\+ MAC.APP. 737/2016 and CM APPL.32853/2016

NATIONAL INSURANCE COMPANY LIMITED

..... Appellant

Through: Mr. Pradeep Gaur, Advocate

Versus

MAMTA & ORS. ..... Respondents

Through: Ms. Indu Aggarwal proxy counsel for Mr. Jatinder Kamra, Advocate for R-1 to R-5.

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

JUDGMENT (ORAL)

1. The tribunal, by its judgment dated 10.06.2016, in accident claim case (MACT Case No. 451126/2016, Old No.287/2015) instituted by the first to fifth respondents (collectively, the claimants) awarded compensation in the total sum of Rs.31,51,000/- with interest @ 9% per annum, on account of death of Vishal, in a motor vehicular accident that occurred on 27.04.2011, due to negligent driving of Maruti Esteem car, bearing registration No.DL-6CA-3643, admittedly insured against third party risk with the appellant insurance company (insurer) for the period in question.

2. It may be mentioned that in the same accident one more person named Vikas had died, accident claim case instituted by his family members (MACT Case No.228/2011) having been decided by the claims tribunal, the said decision having been modified by judgment dated 27.11.2012 in MAC APP.1140/2012.

3. The insurance company, at the hearing, presses its appeal to contend that the levy of interest @ 12% per annum on account of default in deposit of the awarded amount within the period specified was uncalled for. This plea is found to be correct.

4. The insurance company had exercised its right of appeal on which, subject to deposit of Rs. 30,00,000/-(Rupees Thirty Lakhs), the operation of the impugned award was stayed by order dated 07.09.2016. The insurance company having complied with the said order, the penal rate of interest directed to be invoked in the event of default cannot be sustained. The directions in the impugned award to this effect are, thus, set aside.

5. No other point was pressed or urged at the hearing.

6. The appeal is disposed of accordingly.

7. The amount deposited by the insurance company in terms of the interim order dated 07.09.2016, from out of which fifty per cent (50%) was allowed to be released by subsequent order dated 10.03.2017. The balance shall now be released to the claimants in terms of the impugned award.

8. The insurance company shall satisfy the balance liability by requisite deposit with the tribunal within thirty days.

9. The statutory amount shall be refunded to the appellant insurance company.

R.K.GAUBA, J.

SEPTEMBER 19, 2017
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