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IN THE HIGH COURT OF JUDICATURE AT BOMBAY

CIVIL APPELLATE JURISDICTION

WRIT PETITION NO.4158 OF 2017

National Insurance Company Ltd. ..Petitioner.
V/s.
Dayanand Margeppa Pedde & Ors. ..Respondents.

Mr.Rahul Mehta I/b. KMC Legal Venture for the petitioner.

Ms.Lata Patne I/b. Vinod Joshi for the respondents.

CORAM : M.S.SONAK, J.

DATE : APRIL 22, 2019

P.C.:-

Heard Mr.Mehta,learned counsel for the petitioner and Ms.Patne, learned counsel for the respondents.

2. The issue involved in this petition is exclusively covered against the petitioner in terms of the following decisions:-

a) Judgment dated September 13, 2012 passed by the Allahabad High Court in Income Tax Appeal No.441 of 2006 [CIT V/s. The Oriental Insurance Co. Ltd.];

b) Judgment dated October 15, 2014 passed by the Himachal Pradesh High Court, Shimla in Income CWPIL No.9 of 2014 [Court on its own Motion V/s. The H.P. State Co-0perative Bank

Ltd. and others];

c) Judgment dated June 2, 2016 passed by the Madras High Court *2016 CJ (Mad) 536* [The Managing Director, Tamil Nadu State Transport Corporation (Salem) Ltd. V/s. Chinnadurai].

3. Accordingly, there is no merit in the contentions of the Insurance Company that they are entitled to deduct tax at source from the compensation or from the interest awarded on the compensation amount. Thus, on this short ground, the petition is required to be dismissed and is hereby dismissed.

4. Learned counsel for the petitioner, however, points out that if the Insurance Company has already deposited the tax deducted at source in the income tax department, then, the respondents should not oppose any application by the insurance company making a request for refund.

5. Learned counsel for the respondents submits that as long as the respondents get the entire compensation with interest which is awarded in their favour, there is no question of the respondents opposing any request which the Insurance Company may make with the Income Tax department.

6. The aforesaid statements are recorded, however, the petition is dismissed.

7. The amount deposited in the Executing Court should, therefore, be paid to the respondents without any further delay and without any deductions.

8. The petition is disposed of in the aforesaid terms. There shall be no order as to costs.

9. All concerned to act on the basis of an authenticated copy of this order.

(M.S.SONAK, J.)