$~40

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

% Judgment delivered on: 07.12.2021

\+ MAC.APP. 52/2021

THE ORIENTAL INSURANCE CO. LTD. ..... Appellant

versus

SMT. SUNITA SETHI & ORS. ..... Respondents

Advocates who appeared in this case:

For the Petitioner: Mr. Sanjay Kumar, Advocate (through VC)

For the Respondent: Mr. Amit Mahajan, Advocate (through VC)

CORAM:-
HON'BLE MR. JUSTICE SANJEEV SACHDEVA

JUDGMENT

SANJEEV SACHDEVA, J. (ORAL)

CM APPL. 43809/2021 (restoration)

1. Issue notice. Notice is accepted by learned counsel appearing for the respondents.

2. For the reasons stated in the application, application is allowed. Appeal is restored to its original number.

MAC.APP. 52/2021

3. Appellant has impugned the award dated 12.12.2019 as modified by order dated 10.01.2020 whereby the claim petition filed by respondent no. 1, has been allowed and compensation awarded.

4. By detailed order dated 29.01.2021 this Court had rejected the challenge to the award on merits and had issued notice limited to the question of rate of interest on the awarded amount.

5. The tribunal had awarded rate of interest @ 9% per annum. The contention of learned counsel for the appellant at the time of issuance of the notice was that interest should be calculated @ 6% per annum.

6. Learned counsel for the appellant submits that the present prevailing rate of interest on fixed deposit is about 6%, accordingly interest should have been awarded at 6% per annum.

7. I am unable to accept the contentions of learned counsel for the appellant in view of the judgment of the Supreme Court in *Dharam Pal & Ors. Vs. UP State Road Transport Corporation 2008 (12) SCC 208* wherein the Supreme Court referring to an earlier decision of *Kaushnuma Begum & Ors. Vs. New India Assurance Company Ltd. 2001 (2) SCC page 9* held that where earlier 12% rate of interest was found to be reasonable and on account of change in economy and the policy of Reserve Bank of India which has allowed the interest rate granted by the nationalized bank at 9% was found to be reasonable.

8. The Supreme Court thereafter held that the compensation awarded should carry a rate of interest prevailing on the date of the passing of the award.

9. Learned counsel for the appellant admits that there is no material on record to show that the rate of interest prevailing on the date of the award i.e. 12.12.2019 was not 9% per annum.

10. It is submitted by learned counsel for the Claimants that Courts, prior to the onset of the pandemic because of Covid-19, were awarding interest @ 9% per annum.

11. Accordingly, on that count also, I find no infirmity in the impugned award and accordingly find no merit in the appeal. The appeal is accordingly dismissed.

12. Order dated 29.01.2021 directing the tribunal to release the compensation amount with interest calculated @ 6% is modified. The awarded amount be released as per the scheme of disbursal provided in the award dated 12.12.2019 as modified by order dated 10.01.2021.

13. The appeal is disposed of in the above terms.

SANJEEV SACHDEVA, J

DECEMBER 7, 2021
'rs'