

Central Administrative Tribunal Principal Bench, New Delhi

O.A. No.368/2016

Tuesday, this the 6th day of March 2018

Hon'ble Mr. K.N. Shrivastava, Member (A)

Smt. Manju Devi, age 40
Widow of late Shri Rishipal, Fireman
r/o Village Bhaivapur, Ladot
District Rohtak, Haryana

..Applicant

(Ms. Manpreet Kaur, Advocate)

Versus

1. Govt. of NCT of Delhi through
Chief Secretary, Players Building
ITO, Secretariat, New Delhi
2. Director
Delhi Fire Service
Govt. of NCT of Delhi
Head Quarter, Connaught Place
New Delhi – 110 001
3. National Insurance Company Limited
Delhi Regional Office
Jeevan Bharti, Tower 2
Level 4, 124, Connaught Circus
New Delhi – 110 001

..Respondents

(Mrs. Sumedha Sharma, Advocate for respondent Nos. 1 & 2,
Mr. C S Parashar and Mr. Mohit Kumar, Advocates for respondent No.3)

O R D E R (ORAL)

The applicant's husband late Shri Rishipal was working as a Fireman in Delhi Fire Service Department. He died in road accident on 11.05.2009. The Delhi Fire Service Department has a group insurance policy operated by National Insurance Company Limited (respondent No.3). As per the said policy, insurance claim of ₹5 lacs is admissible in cases of road accident.

The applicant's husband was a member of the said policy. The applicant had requested the respondents to grant her ₹5 lacs towards the insurance claim. As her case was not getting due consideration by the Department, she approached this Tribunal by filing O.A. No.3552/2013, which was disposed of vide order dated 31.07.2014; operative part of which reads as under:-

“3. In view of the stand taken in the counter reply filed on behalf of respondents, the OA is disposed of with direction to respondent no.2 to pursue the matter with respondent no.3 and ensure that final decision is taken in the matter within four weeks from the date of receipt of a copy of this order. If the grievance of the applicant still survives, she would be at liberty to approach the appropriate forum, in accordance with law.”

2. The respondents, in compliance of the *ibid* order of the Tribunal, paid insurance claim of ₹5 lacs on 20.03.2015. Through the medium of this O.A., the applicant has claimed payment of interest on the delayed release of the insurance amount.

3. Heard learned counsel for the parties and perused the materials placed on record.

4. It is not in dispute that the applicant's husband was a member of the insurance policy and on his death in road accident, the applicant was entitled to receive insurance claim of ₹5 lacs. In the normal course, such claims should be settled within a maximum period of 3 months. From the records, it appears that there has been an inordinate delay at the end of the respondents in settling the claim of applicant, which compelled her to approach this Tribunal by way of filing O.A. No.3552/2013. It is only after a direction was issued by the Tribunal in the *ibid* O.A. vide order dated

31.07.2014 that the insurance amount was finally paid to the applicant on 20.03.2015. Hence, the delayed action on the part of the respondents in settling the insurance claim is well established.

5. Under these circumstances, I am of the view that the applicant is entitled for receiving interest at a reasonable rate for delayed release of the insurance claim. Considering the fact that the applicant died on 11.05.2009 and at least 3 months are normally required to settle such a claim, I am of the view that the applicant is entitled for receiving interest from 01.09.2009.

6. In the conspectus of discussions in the foregoing paragraphs, this O.A. is disposed of with a direction to the respondents to pay interest @ 8% per annum to the applicant on the amount of ₹5 lacs from 01.09.2009 to 20.03.2015. It is clarified that the interest is to be paid out of the fund, which is operated by respondent No.3 on behalf of respondent Nos. 1 & 2. This shall be done within a period of three months from the date of receipt of a copy of this order. There shall be no order as to costs.

(K.N. Shrivastava)
Member (A)

March 6, 2018
/sunil/