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HIGH COURT OF DELHI : NEW DELHI

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Date of decision: September 28, 2007

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W.P. (C) No. 1669/2007

Smt. Darshana Sharma ...Petitioner
Through: Ms. Manpreet Kaur, Advocate

versus

Government of NCT of Delhi & Ors. ...Respondents
Through: Mr. Rohit Madan, Advocate

CORAM:

**HON'BLE MR. JUSTICE A.K.SIKRI
HON'BLE MR. JUSTICE VIPIN SANGHI**

1. Whether the Reporters of local papers may be allowed to see the judgment? No
2. To be referred to Reporter or not? No
3. Whether the judgment should be reported in the Digest? No

VIPIN SANGHI, J

The Petitioner's husband was working as Driver in Delhi Fire Service. On 24.4.1998, a fire broke out in a factory in Okhla. The Petitioner's husband was on duty at that site and while rendering his services he died. In terms of OM No.45/55/97-P&P W(C) dated 11th September 1998, the Petitioner demanded ex-gratia lumpsum compensation of Rs.5 lakhs. Since this was denied by the Respondent, the Petitioner preferred O.A. No. 3372/2002 before Central

Administrative Tribunal, Principal Bench, New Delhi (the Tribunal). The Tribunal rejected the contention of the Respondents that the Petitioner's husband did not die while rendering his services and that he died on account of a heart attack. Consequently, the Tribunal allowed the OA filed by the Petitioner and diverted payment of the ex-gratia amount to the petitioner. Thereafter, the Petitioner filed MA No.492/2006 & 493/2006 to claim interest on the amount of Rs.5 lakhs released to her on 14.5.2004. The Tribunal dismissed the said MA vide order dated 24.8.2006, which is now impugned before us. The Tribunal held that since no interest had been granted and the order earlier passed by the Tribunal was silent in this regard, the implication was that the Tribunal has refused to grant any interest.

The only grievance raised before us by the Petitioner in this petition under Article 226 of the Constitution of India is that she should have been awarded interest by the Tribunal while allowing her OA.

We have heard counsel for the parties. As rightly held by the Tribunal the Petitioner was entitled to ex-gratia payment in terms of the aforesaid OM immediately on the demise of her husband on 24.4.1998. However, the same was denied by the Respondents, and their reason for denying the said claim have rightly been rejected by the Tribunal. This resulted in delay in payment of aforesaid amount of Rs.5 lakhs to the Petitioner by over 6 years. For no fault of the Petitioner who is a widow, she was not only driven to filing the

aforesaid OA to claim her legitimate dues but had to wait for over six long years before receiving the amount due to her. Interest is nothing but compensation for delayed payment of the dues, inter-alia, to off set the erosion in the value of Rupee on account of inflation. There is also the cost of lost opportunities.

In our view, therefore, the Tribunal ought to have awarded interest on the amount of compensation due to the Petitioner since the delay was entirely attributable to the Respondents. Consequently, we allow the petition and award simple interest on the amount of Rs.5 lakhs from 14.5.1998 to 14.5.2004 i.e. For a period of six years @ 12% per annum. The Respondents are directed to make the payments of interest within four weeks.

With the aforesaid directions, the Writ Petition stands disposed of.

VIPIN SANGHI, J.

A.K. SIKRI, J.

September 28, 2007
P.K. BABBAR