

HON'BLE SRI JUSTICE S. RAVI KUMAR

CIVIL MISCELLANEOUS APPEAL No.1125 of 2008

JUDGMENT:

This appeal is preferred questioning order dated 02.12.2005 in W.C.No.24 of 2004 on the file of Commissioner for Workmen's Compensation and Assistant Commissioner of Labour, Karimnagar.

2. Respondents No.1 and 2 herein submitted application to the Commissioner for Workmen's Compensation (for short "lower authority") alleging that deceased Mohd. Nayeem was employed as cleaner on Van bearing No.AP 15U 8989 belonging to third respondent herein on a monthly salary of Rs.2,000/- and daily batta of Rs.25/- and while working as cleaner on 22.09.2003 due to rash and negligent driving of the driver and sudden application of breaks deceased fell down from the cabin of lorry and received severe injuries on vital parts of his body and was shifted to Government hospital, Peddapalli and from there to Government Hospital, Karimnagar, where he succumbed to the injuries the next day of the accident i.e., 23.09.2013 and that they are entitled for compensation.

3. Insurance company resisted the claim of respondents No.1 and 2 herein and lower authority conducted enquiry, during which, one witness is examined and 6 documents are marked on behalf of claimants and no witness is examined and no documents are marked on behalf of contesting respondents and on a over all consideration of oral and documentary evidence lower authority granted compensation of Rs.2,34,763/- with interest @ 9% p.a. Aggrieved by said order, insurance company preferred the present

appeal.

4. Heard both sides.

5. It is submitted by insurance company at the time of filing of appeal, in view of decision of Supreme Court reported in **P.J. Narayan Vs. Union of India and others**^[1], lower authority is not justified in granting interest. It is further submitted that subsequently Hon'ble Supreme Court clarified that claimants are entitled for interest and in the recent decision of Supreme Court reported in **Jaya Biswal and others V. Branch Manager, Iffco-Tokio General Insurance Co. Ltd and another**^[2], grant of interest by the lower authority is legal and in view of that decision, nothing survives in the appeal.

6. Now the point that would arise for my consideration is:

Whether the order of the Commissioner for Workmen's Compensation & Assistant Commissioner of Labour, Karimnagar is legal, proper and correct?

POINT:

6. I have perused the material on record and the grounds of appeal. The main objection of insurance company is with regard to payment of interest on the ground that there is no statutory or contractual liability on the part of insurance company to pay any interest on the compensation. But in view of the decision of Hon'ble Supreme court in **SABERABIBI YAKUBBHAI SHAIKH AND OTHERS Versus NATIONAL INSURANCE COMPANY LIMITED AND OTHERS**^[3] interest has to be granted from the date of accident till the date of deposit. So, considering the above referred decision of Supreme Court and **Jaya Biswal's** case, applicant is entitled for interest at 12% per annum from the date of

accident till the date of deposit on the compensation granted by the Assistant Commissioner of Labour, and objection of insurance company with regard to grant of interest is not at all tenable.

7. Following the decisions of Supreme court referred to above, the order of lower authority with regard to grant of interest is upheld and consequently the appeal is dismissed, as devoid of merits. No costs.

Miscellaneous Petitions, if any pending, in this Appeal, shall stand closed.

S. RAVI KUMAR, J

Date: 02-06-2016.
gvl

[\[1\]](#) 2004 ACJ 452

[\[2\]](#) 2016 ACJ 721

[\[3\]](#) (2014)2 SCC 298