

THE HON'BLE SRI JUSTICE U.DURGA PRASAD RAO

CIVIL MISCELLANEOUS APPEAL No.3309 OF 2002

JUDGMENT:

This appeal is preferred by the claimants/appellants aggrieved by the order dated 28.09.1999 in W.C.No.102 of 1994(P) passed by the Commissioner for Workmen's Compensation, Nalgonda.

2. The brief facts of the case are that Late Shaik Abdul Nabi, who was the Driver-cum-Cleaner of Lorry bearing No.ABW 5999 working under the 1st respondent, met with an accident on 22.09.1993. The claimants, who are his legal representatives, filed W.C.No.1 of 1994 seeking compensation of Rs.1,00,000/- against respondents 1 and 2, who are owner and insurer of the lorry bearing No.ABW 5999. Learned Commissioner for Workmen's Compensation, after enquiry, awarded a sum of Rs.83,659/- as compensation. Since no interest was awarded on the compensation amount, the claimants preferred this appeal.

3. Heard Sri M. Madhava Reddy, learned counsel for the appellants, and Sri R. Venkat Rao, learned Standing Counsel for respondent No.2 – Insurance Company.

4. The appeal against respondent No.1 is dismissed for default.

5. Learned counsel for the appellants would submit that as per judgments of the Hon'ble Apex Court in **The Oriental Insurance Company Limited. V. Siby George and others**¹ and

¹ 2012 (7) SCALE 86

Saberabibi Yakubbbhai Shaikh and others v. National Insurance Company Limited², the claimants are entitled to interest from the date of accident.

6. Learned Standing Counsel for the Insurance Company opposed the appeal and submitted that the claimants are not entitled to any interest as they did not claim interest before the Commissioner and therefore interest and costs were rightly rejected to the claimants by the Commissioner and prayed for dismissal of the appeal.

7. In the light of the above submissions, the point that arises for consideration is,

“Whether the claimants/appellants are entitled to interest on the compensation amount? and if so, at what rate and from which date?”

8. **POINT:-** The issue is no more *res integra* as the entitlement of interest by the claimants in a Workmen's Compensation case is well delineated by the Hon'ble Apex Court in **Siby's** case (1 supra). The point fell for determination before the Hon'ble Apex Court in that case was when does the payment of compensation under the Act become due and consequently what is the point of time from which interest would be payable on the amount of compensation as provided under Section 4-A (3) of the Act.

9. The Apex Court, after considering several decisions, has ultimately held that the relevant date of determination of compensation is the date of accident and not the date of the claim.

² (2014) 2 SCC 298

Consequently the rate of interest would also be from the date of accident.

10. The judgment in **Siby's** case (1 supra) is followed in a subsequent judgment in **Saberabibi** (2 supra). It was held in the said judgment that in view of the settled proposition of law in **Siby's** case (1 supra), the appellants were entitled to interest at 12% per annum from the date of accident.

11. In the light of the authoritative pronouncements of the Apex Court on the issue, it is needless to emphasise that in the present case also the claimants are entitled to interest at 12% per annum from the date of accident till the date of realisation.

12. The Civil Miscellaneous Appeal is accordingly allowed and while confirming the compensation of Rs.83,659/- awarded by the Commissioner for Workmen's Compensation, Nalgonda, simple interest at 12% per annum from the date of accident till the date of realisation is awarded. The respondents are directed to deposit the compensation amount within a period of two months from the date of receipt of a copy of this order, failing which execution shall be taken against them. There shall be no order as to costs.

Miscellaneous Petitions, if any, pending in this Civil Miscellaneous Appeal shall stand closed. No costs.

U.DURGA PRASAD RAO, J

Date:19.10.2016

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