IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH

FAO No. 645 of 2004
Date of decision: 26.05.2017

Rina Devi and another ...Petitioner(s)

Versus

Sahab Singh and another ...Respondent(s)

CORAM: HON'BLE MR. JUSTICE G.S.SANDHAWALIA

Present: Mr. Anil Shukla, Advocate,
for the appellants.

Mr. Paul S. Saini, Advocate,
for the respondents.

G.S.SANDHAWALIA, J. (Oral)

The appellants, being the claimants and legal representatives of the deceased Pundev Sahni, who was working as a driver in the vehicle which met with an accident, have approached this Court aggrieved by the non-grant of the statutory interest by the Commissioner vide the impugned order dated 09.06.2003 under the Employee's Compensation Act, 1923. A sum of ₹3,39,570/- was held to be payable by the Commissioner on account of the fact that it was proved that the deceased was working as a driver. The employer Sahab Singh appeared in the witness box and had admitted the said factum of relationship and that the vehicle in question was of long route and there were two drivers and one cleaner and one labourer. In such circumstances, it was held that the accident which had taken place in district Dehradun on 22.04.2001 had led to the death of the deceased in the course of his employment and the compensation was granted.

As noticed, the only claim as such is on the account of the fact that the Commissioner only directed payment of the compensation to be payable within 60 days from the date of the order, failing which, interest @

9% per annum was to be given from the date of the order till the date of realization. The legal position stands duly settled on the said principle that if the amount falls due, the same is payable within one month after the accident. The Apex Court has now in the string of judgments in ***Pratap Narain Singh Deo Vs. Srinivas Sabata (1976) 1 SCC 289, Oriental Insurance Company Ltd. Vs. Siby George (2012) 12 SCC 540*** has held that interest is to be paid from the date of the accident.

In ***Jaya Biswal Vs. Branch Manager, IFFCO Tokio General Insurance Company Ltd. & another 2016 (11) SCC 201***, the said view has further been reiterated, that the interest is liable to be paid from the date of the accident. Relevant portion reads as under:

> *"26. Further, an interest at the rate of 12% per annum from the date of accident, that is 19.07.2011, is also payable to the appellants over the above awarded amount. In light of the unnecessary litigation and the hardship of the appellants in spending litigation to get the compensation which was rightly due to them under the Act, we deem it fit to award the appellants costs as ₹25,000/-."*

Accordingly, the appeal is allowed and the said substantial question of law is accordingly decided in favour of the claimants. The insurance company shall pay the interest @ 12% per annum from the date of the accident within two months from the date of receipt of certified copy of the order.

26.05.2017 (G.S. SANDHAWALIA)
shivani JUDGE

Whether reasoned/speaking Yes/No

Whether reportable Yes/No