

**IN THE HIGH COURT OF JUDICATURE AT BOMBAY
CIVIL APPELLATE JURISDICTION**

FIRST APPEAL NO.878 OF 2022

Sarabhjit Singh Satnam ... Appellant
vs.
Gurjit Satnam Singh & Anr. ... Respondents

**WITH
FIRST APPEAL NO.949 OF 2014**

Vikramjit Singh Sardul Singh ... Appellant
vs.
Gurjit Satnam Singh & Anr. ... Respondents

Mr. T. J. Mendon for the Appellant.
Ms. Poonam Mittal for the Respondent No.2.

CORAM : NITIN. B. SURYAWANSHI, J.

DATED : 18TH OCTOBER 2023

P. C. :

1. Only point that falls for consideration in both these First Appeals is whether the Commissioner of Workmen Compensation/learned Judge of Labour Court, Mumbai was justified in awarding interest on the compensation from date of adjudication of claim or Appellants herein are entitled for interest from date of accident.

2. Heard learned Advocate for the Appellant and learned Advocate for the Respondent.

3. Perused impugned judgment and award. Point raised in these First Appeals is no more *res integra* in the light of decision of the Supreme Court in Oriental Insurance Company Ltd. vs. Siby George and Ors. Reported in 2012 ACJ 2126, wherein it is held :

“9. The matter once again came up before the Court when by amendments introduced in the Act by Act No. 30 of 1995 the amount of compensation and the rate of interest were increased with effect from 15.9.1995. The question arose whether the increased amount of compensation and the rate of interest would apply also to cases in which the accident took place before 15.9.1995. A three Judge Bench of the Court in [Kerala State Electricity Board vs. Valsala K.](#), AIR 1999 SC 3502 answered the question in the negative holding, on the authority of Pratap Narain Singh Deo, that the payment of compensation fell due on the date of the accident. In paragraphs 1, 2, and 3 of the decision the Court observed as follows :

1.

2. Various High Courts in the country, while dealing with the claim for compensation under the Workmen’s [Compensation Act](#) have uniformly taken the view that the relevant date for determining the rights and liabilities of the parties

is the date of the accident.

3. A four Judge Bench of this Court in [Pratap Narain Singh Deo v. Srinivas Sabata](#), (1976) 1 SCC 289: (AIR 1976 SC 222: 1976 Lab IC 222) speaking through Singhal, J. has held that an employer becomes liable to pay compensation as soon as the personal injury is caused to the workmen by the accident which arose out of and in the course of employment. Thus, the relevant date for determination of the rate of compensation is the date of the accident and not the date of adjudication of the claim.

10. The Court then referred to a Full Bench decision of the Kerala High Court in [United India Insurance Co. Ltd. vs. Alavi](#), 1998(1) KerLT 951(FB) and approved it in so far as it followed the decision in Pratap Narain Singh Deo.

11. The decisions in Pratap Narain Singh Deo was by a four Judge Bench and in Valsala by a three Judge Bench of this Court. Both the decisions were, thus, fully binding on the Court in Mubasir Ahmed and Mohd. Nasir, each of which was heard by two Judges. But the earlier decisions in Pratap Narain Singh Deo and Valsala were not brought to the notice of the Court in the two later decisions in Mubasir Ahmed and Mohd. Nasir.”

4. In the light of aforesaid ratio quoted Appellants are entitled for interest from date of accident and not from date of adjudication of their claim.

5. In the impugned judgment, only reason assigned by learned Commissioner in awarding compensation from the date of adjudication is that “the compensation becomes due on the basis to adjudication of the claim made. So interest be awarded from the date of adjudication”.

6. The findings is erroneous and cannot be sustained in the light of aforestated judgment.

7. In the result, the following order :-

- (i) First Appeals are allowed.
- (ii) The Appellants are held entitled for payment of interest *from* the date of accident i.e. 16th August 1997.

[NITIN. B. SURYAWANSHI, J.]