

**IN THE HIGH COURT OF JUDICATURE AT BOMBAY
CIRCUIT BENCH AT KOLHAPUR
CIVIL APPELLATE JURISDICTION
FIRST APPEAL NO. 923 OF 2007**

Pandurang Hari Navaghane ...Appellant
Versus
Shivaji Bapu Dhapate And Ors. ...Respondent

Ms. Vrunali Velankar i/by Mr. Umesh Mankapure for the Appellant.
Mr. Balwant V. Salunkhe, Advocate for the Respondent No.1.
Mr. N.D. Joshi for Respondent No.2.

**CORAM : SHIVKUMAR DIGE, J.
DATE : 13th OCTOBER, 2025.**

P.C.

1. This appeal is preferred by the Appellant/Employer against the Judgment and order passed by the learned Commissioner for Workmen's Compensation and Judge, Labour Court, Satara (for short the "Trial Court").

2. It is contention of the learned counsel for the appellant that the deceased was employee of the appellant. The learned trial Court has allowed the application filed by the claimants and directed to deposit the compensation amount of Rs.4,36,940/- jointly and severally. Learned counsel further submitted that the learned trial Court has directed to pay 12% p.a. interest on compensation amount

from 4th August, 2001 till actual deposit of the amount with penalty of Rs.50,000/- and cost of Rs.500/-, which is erroneous. As at the time of accident, the offending vehicle was ensured with the Respondent – Insurance Company. Hence, Insurance Company is liable to pay interest on compensation amount.

3. It is contention of learned counsel for Respondent-Insurance Company that the appellant failed to submit required and necessary information to the Insurance Company after the accident. There was negligence on the part of appellant. On that ground, the Tribunal has specifically directed to pay interest on the compensation amount to the appellant as a penalty, which is proper. No interference is required in it and requested to dismiss the Appeal.

4. Learned counsel for the Respondents-Claimants submits that appropriate orders be passed.

5. I have heard all the learned counsels, perused the impugned Judgment and order. While passing order, the trial Court has observed that the said truck was insured with the Respondent – Insurance Company and no claim was submitted by the Appellant before the Insurance Company. There was negligence on the part of Appellant, who is employer of the deceased. On that ground the trial Court has

directed the Appellant to pay the interest on compensation amount and to pay penalty of Rs.50,000/- with cost of Rs.500/-.

6. In my view, admittedly the said truck was insured with the Respondent-Insurance Company. There was no breach of terms and conditions of Insurance Policy. The deceased was covered under the Insurance Policy. Hence, Insurance Company is liable to pay compensation along with accrued interest thereon. The Insurance Company shall pay 12% interest per annum on the compensation amount instead of the Appellant. The Appellant shall pay penalty of Rs.50,000/- and cost of Rs.500/- to the Respondents – Claimants.

7. In view of above, I pass following order:

ORDER

- (i) The appeal is partly allowed and disposed off;
- (ii) The Respondent - Insurance Company shall deposit 12% interest on compensation amount of Rs.4,36,940/- from 9th September, 2001 till realisation of the amount.
- (iii) The appellant shall deposit penalty of Rs.50,000/- and cost of Rs.500/- within three weeks after receipt of this order.
- (iv) The respondents/claimants are permitted to withdraw the deposited amount along with interest.

(SHIVKUMAR DIGE, J.)