

UPSRTC Now Uttarakhand Transp. Corpn

v.

Satnam Singh

(Supreme Court Of India)

HON'BLE MR. JUSTICE J.M. PANCHAL HON'BLE MR. JUSTICE H.L. GOKHALE

Civil Appeal No. 1451 Of 2011 (@ Slp(C) 11503 Of 2008) | 07-02-2011

1. Leave granted.

2. By filing this appeal, the appellant has challenged the legality of Judgment dated September 12, 2007 rendered by the learned Single Judge of the High Court Of Uttarakhand at Nainital in Appeal against award No. 744 of 2001 by which the award made under the provisions of Workman Compensation Act, 1923 in favour of the respondent for a sum of Rs. 1,43,796 with 6% interest thereon from the date of the accident is confirmed.

3. The respondent was employed as a driver with the appellant. He sustained personal injury on 8.1.95 arising out of and in the course of his employment with the appellant. Therefore, he filed W.C.A. No. 36 of 2000 before the Workman Compensation Commissioner and Regional Deputy Labour Commissioner, Kumaon Region, Haldwani, District Nainital for getting compensation under the provisions of the Workmen's Compensation Act 1923. The same was allowed by award dated March 31, 2001. The operative part of the award reads as under : -

"Since the Respondents were aware of the injuries received by Sh. Satnam Singh and about the said accident but they did not made payment of the compensation to the claimant within time, although the contention of the Respondent is that there has not been any loss of working capacity of the claimant nor the employer have made any deduction from his salary even then the claimant was entitled to receive the aforesaid amount of compensation on 08.01.1995. Since even after lapse of six years he has not received the amount

of compensation hence he is entitled to receive the interest also from the employer.

Therefore the Respondents are directed to deposit a sum of Rs. 1,43,796/- (Rs. One lac Forty three thousand seven hundred and ninety six only) alongwith interest @ 6% to the tune of Rs. 38,836/- within a period of one month from the date of the Judgment. In the event of default to deposit the said amount within prescribed period alongwith interest, necessary action for recovery will be made in accordance with law."

4. The award was challenged by the appellant before the High Court. The appeal was dismissed by the High Court vide judgment dated 12.09.2007 which has given rise to the instant appeal.

5. The only contention urged before this Court is that the direction given to the appellant to pay interest at the rate of 6%, on the amount of compensation, from the date of the accident deserves to be set aside in view of the decision of this Court in National Insurance Company Limited versus Mubasir Ahmed and Another (2007) 2 SCC 349 wherein it is held that the liability to pay the interest begins after one month from the date on which the compensation falls due and the compensation falls due on the date on which claim of the workman is adjudicated.

6. This Court has heard the learned counsel for the parties.

7. In National Insurance Co.Ltd.(supra), this Court has held that there is no indication in Section 4-A(1) as to when the compensation payable under Section 4 falls due and therefore it has to be taken that the compensation becomes due on the date on which the claim for compensation is adjudicated. In view of the above-mentioned judgment of this Court, the direction given by the Workman Compensation Commissioner which is confirmed by the High Court, requiring the appellant to pay the amount of compensation with 6% interest from the date of the accident will have to be substituted by the direction to the appellant to

pay the amount of compensation with 6% interest from the date of the award made by the Workman Compensation Commissioner.

8. For the foregoing reasons, the appeal partly succeeds. The award dated 07.04.2001 made by the Workman Compensation Commissioner as confirmed by the High Court in the impugned judgment is modified and it is held that the appellant shall be liable to pay interest at the rate of 6% from the date of award which is 07.04.2001.

9. The appeal accordingly stands disposed.