

IN THE SUPREME COURT OF ZAMBIA
HOLDEN AT LUSAKA
(CIVIL JURISDICTION)

APPEAL NO. 33/ 2012
SCZ/8/267/2011

BETWEEN:

KASOTE SINGOGO

AND

LAFARGE ZAMBIA PLC



APPLICANT

RESPONDENT

CORAM: MAMBILIMA CJ, KAJIMANGA AND MUTUNA JJS;
On 4TH February, 2020 and 20th May, 2020

For the Applicant : Ms. Mary Mulenga Harawa, of M.C. Mulenga and Company
For the Respondent : Mr. Nchima Nchito, SC, appearing with Mr. Chisuwo Hamwela, of Nchito and Nchito

JUDGMENT

MAMBILIMA CJ delivered the Judgment of the Court.

CASES REFERRED TO:

1. NYATI BAKERY LTD AND OTHERS V PRUDENCE BANK LTD (2000) ZR 135
2. YONNAH SHIMONDE, FREIGHT AND LINERS V MERIDIEN BIAO BANK LIMITED (1999) ZR 47
3. BANK OF ZAMBIA V CAROLINE ANDERSON AND ANDREW W. ANDERSON (1993/1994) ZR 47
4. BP ZAMBIA PLC V EXPENDITO CHIPASHA AND 235 OTHERS, SELECTED JUDGMENT NO. 57 OF 2018
5. INDENI PETROLEUM REFINERY COMPANY LIMITED V VG LIMITED (2007) ZR 197
6. HARBUTT'S PLASTICINE LIMITED V WAYNE TANK AND PUMP CO. LIMITED (1970) 1 ALL ER 225
7. GRINDLAYS BANK INTERNATIONAL (Z) LIMITED V NAHAR INVESTMENTS LIMITED (1990-1992) ZR 86

8. UNION BANK OF ZAMBIA LIMITED V SOUTHERN PROVINCE COOPERATIVE MARKETING UNION LIMITED (1995 – 1997) ZR 207
9. DIRECTOR GENERAL OF FAIR TRADING V FIRST NATIONAL BANK PLC (2000) 2 ALL ER 759
10. BARCLAYS BANK ZAMBIA PLC V PATRICIA LEAH CHATTA CHIPEPA, SELECTED JUDGMENT NO. 16 OF 2017
11. ZAMBIA NATIONAL COMMERCIAL BANK PLC V JOSEPH KANGWA, APPEAL NO. 54/2008
12. DRILL AFRICA COMPANY LIMITED V DANIEL MPUNDU KONKOLA, SCZ/8/246/2016

LEGISLATION REFERRED TO:

- 1) THE SUPREME COURT RULES, CHAPTER 25 OF THE LAWS OF ZAMBIA
- 2) THE JUDGMENTS ACT, CHAPTER 81 OF THE LAWS OF ZAMBIA
- 3) THE LAW REFORM (MISCELLANEOUS PROVISIONS) ACT, CHAPTER 74 OF THE LAWS OF ZAMBIA
- 4) THE STATE PROCEEDINGS ACT, CHAPTER 71 OF THE LAWS OF ZAMBIA

WORKS REFERRED TO:

- (1) RULES OF THE SUPREME COURT (RSC) WHITEBOOK 1999 EDITION ORDER 22/1/8
- (2) HALSBURY'S LAWS OF ENGLAND, VOLUME 27, 3RD EDITION AT PAGE 12

1.0 INTRODUCTION

- 1.1 This is a Notice of Motion filed by the Applicant, pursuant to **RULE 48(5) OF THE SUPREME COURT RULES¹**, inviting us to interpret a judgment of this Court dated 31st August, 2017 but delivered on 19th September, 2017.

2.0 BACKGROUND

- 2.1 The background to this motion is that on 2nd March 2000, the Applicant lodged a complaint in the Industrial Relations Court (IRC) against the Respondent, for wrongful termination of employment. On 9th October, 2007, the IRC delivered a judgment in his favour and awarded him, among other reliefs 24 months' salary plus *“interest at the Bank of Zambia short term lending rate from the time of filing the complaint to the date of judgment and thereafter at the current lending rate until full settlement”*.
- 2.2 The Respondent was dissatisfied with the decision of the IRC and on 6th November 2007, it launched an appeal to this Court. In our judgment delivered on 12th June, 2009, we upheld the decision of the IRC. The Respondent then paid a sum of K69,570.55 into Court on 6th October 2009, which, it believed was due to the Applicant. The Applicant acknowledged receipt of the money and withdrew it from Court. The Applicant was, however, not satisfied with the quantum which the Respondent had paid into Court. He applied for assessment before the Deputy Director (DR) IRC. In his judgment delivered on 7th January, 2011 the DR ordered inter alia, that all allowances should be included when calculating the Appellant's terminal

benefits. It was also ordered that the judgment sum should attract interest at the Bank of Zambia lending rate until full settlement.

- 2.3 The Respondent contested the decision of the DR before the full bench of the IRC. The full bench allowed the appeal and reversed the Order of the DR to include allowances in the calculation of terminal benefits.
- 2.4 The Appellant was not satisfied with the decision of the full bench, and escalated the matter to this Court. We allowed his appeal and in our judgment of 19th September 2017, we held that the calculation of the Appellant's terminal benefits should include among others, the basic salary, leave pay, house rentals, education allowance and fuel allowance for 24 months. On interest, we ordered that “... *interest shall be applied as awarded in the judgment of the IRC...*”.
- 2.5 Following our judgment, the parties failed to agree on the computation of interest. The Applicant has now deposed before us that he engaged an accountant to compute the amounts, owing. This accountant found the sum of K62, 193.53 to be the judgment sum. When he applied interest on this amount at the Bank of Zambia lending rate, he arrived at an amount of K129, 539.98. He added the two figures and arrived at a judgment debt of K191,733.45. According to the Applicant, this sum has continued to accrue interest at the current lending rate until full settlement.

2.6 The Applicant deposed that his calculations were arrived at on the understanding that the judgment sum carried *“interest at the Bank of Zambia short term lending rate until date of judgment and thereafter the judgment sum and interest due up to the date of the judgment would together, form a new principal amount, which would then attract interest at the current lending rate until full settlement”*. After applying this formula, he calculated the amount due as of October 2017, to be K729, 508.99.

2.7 The computations by the Applicant were disputed by the Respondent. It contended that the interest due must be applied on a constant principal sum (in this case the amount of K62, 193.53), not two principal amounts as computed by the Applicant. This led to an impasse, which compelled the Applicant to now move this Court, through a motion seeking an interpretation of our judgment.

3.0 **THE APPLICANT’S SUBMISSIONS IN SUPPORT OF THE NOTICE OF MOTION**

3.1 On behalf of the Applicant, Ms. Harawa filed written heads of argument, which she augmented with oral submissions. Basically, Counsel submitted that the Applicant’s understanding was that his terminal benefits were to attract interest at the Bank of Zambia short term lending rate from the time that he filed his complaint to the date of judgment. That, the terminal

benefits and interest up to the date of judgment would result in a judgment sum which would then attract interest at the current lending rate, from the date of judgment until full settlement.

3.2 That pursuant to his understanding, the Applicant computed his terminal benefits amounting to the sum of K62,193.53, to which he applied interest at the current Bank of Zambia lending rate from the date of complaint to the date of judgment and arrived at the sum of K191, 733.45. Thereafter, the Applicant applied interest on that amount, at the current lending rate, resulting in a total sum of K729,508.99.

3.3 Ms. Harawa submitted that the Respondent disputed the Applicant's interpretation of the judgment on interest, arguing that applying interest on the judgment debt, as proposed by the Applicant, meant that two rates of interest would be used on the total amount of moneys due to the Applicant. That the Respondent contended that the Bank of Zambia short term lending rate and the current lending rate should have been applied to a "*constant or static sum of damages due*" at the commencement of the action. That the Respondent also contended that the monies it had paid into Court should not be taken into account when computing interest.

3.4 According to Counsel, two questions that arose, were how interest was to be calculated, and, secondly, whether interest was applicable on the money paid

into court. On the position of the law, she referred us to the case of **NYATI BAKERY LTD AND OTHERS V PRUDENCE BANK LTD¹**, where we stated that:

“...when a judgment of this court is given, any principal and interest merge into the judgment debt, and the relationship of Bank and Customer is clearly at an end. There can be no question of continuing with commercial interest or compounding it after the judgment below.”

3.5 Pursuant to the guidance in this case, Counsel submitted that once there has been a judgment, the principal sum and the interest become the judgment debt and this debt carries such interest, if any, as may be lawfully ordered by the court or in terms of the **JUDGMENTS ACT²⁾**. She argued that in this case, the principal sum due to the Applicant and the interest at the Bank of Zambia short term lending rate, merged to form a new principal sum called the *‘judgment debt’*; that this sum carried a separate rate of interest from the date of the judgment until the date of full settlement. To support her submission, Counsel referred us to the case of **YONNAH SHIMONDE AND ANOTHER V MERIDIEN BIAO BANK LIMITED²** in which we said, inter alia, that **“..when a judgment of the Court is given, any principal and interest merge into the judgment debt...”** Counsel also referred us to the case of **BANK OF ZAMBIA V CAROLINE ANDERSON AND ANDREW W. ANDERSON³**, in which we echoed this position. We agreed with the submissions of Counsel in that case and said

“...that interest after judgment is interest on a judgment debt and is entirely separate from interest awarded in the judgment. That interest at the rate awarded by the court becomes part of the judgment debt. The judgment debt carries interest in accordance with the law unless otherwise awarded.”

3.6 Fortified by these authorities, Counsel argued that there were two principal sums and two rates of interest applied when computing the amounts due after litigation, and not a constant principal sum, as argued by the Respondent.

4.0 THE RESPONDENT’S SUBMISSIONS AGAINST THE NOTICE OF MOTION

4.1 In response to the motion, learned Counsel for the Respondent, Mr. Nchito SC and Mr. Hamwela, filed written heads of argument which were augmented with brief oral submissions by State Counsel at the hearing of the motion.

4.2 Counsel submitted that there are two issues which fall for the determination of this Court. The first issue was whether interest continues to accrue after money has been paid into Court; and secondly, considering the two interest rates awarded by the lower Court, how should the interest be computed?

4.3 On the first issue, the gist of Mr. Nchito’s argument was that interest arrests when money has been paid into Court. To support his argument, Counsel

referred to a passage in **HALSBURY'S LAWS OF ENGLAND, VOLUME 27, 3RD EDITION⁽²⁾**, which states that *"...if the amount due is tendered, interest ceases to run from that date"*. He also relied on Order 22/1/8 of the **RULES OF THE SUPREME COURT OF ENGLAND (WHITE BOOK)⁽¹⁾**, which provides that *"Any interest that may be awarded on the debt or damages recovered should be calculated up to the date of payment into court."* To buttress this point further, Counsel referred us to our decision in two cases. That of **INDENI PETROLEUM REFINERY COMPANY LIMITED V V.G. LIMITED⁵** in which we said:-

"...the underlying principle and the basis for an award of interest is that the Defendant has kept the Plaintiff out of his money and the Defendant had the use of it himself, so he ought to compensate the Plaintiff accordingly."

Counsel also referred us to our later decision in the case of **BP ZAMBIA PLC V EXPENDITO CHIPASHA AND 235 OTHERS⁴**, where we held that money stops attracting interest once it is paid into Court. We stated:-

"Our understanding of the law on the award of interest is that it is designed to compensate a plaintiff for the period he has been kept out of the use of his money by a defendant... It follows that once the money has been paid to the plaintiff, there can be no basis for requiring the defendant to pay interest on that money from the date it is paid to the plaintiff..."

- 4.4 It was Counsel's submission that in this case, interest stopped running on 6th October, 2009, when the Respondent paid the sum of K69,570.55 into court. According to Counsel, the Applicant was erroneously claiming that the

interest should have continued to accrue from 2007 to 2020, ignoring the fact that money had been paid into Court. He argued that the Applicant, in this matter, was not deprived of the use of his money from 6th October, 2009 when the principal amount was paid into Court and, as such, he is not entitled to interest since he was not kept out of his money.

- 4.5 Counsel further submitted that the dispute on interest, in this case, has been before Court since 2007, when the IRC first delivered its judgment; a period of more than 12 years. He contended that not only is the Appellant not entitled to interest, as interest was arrested when money was paid into Court, but that the amount claimed is inflated and unfair, in view of the fact that the dispute had been before court for a long time. To support his contention, Counsel referred us to the case of **GRINDLAYS BANK INTERNATIONAL (Z) LIMITED V NAHAR INVESTMENTS LIMITED⁷**, in which with regard to interest, we took into account the fact that the cause of action arose 12 years before. We limited the duration of pre trial interest to three years from the date of the writ. In justifying this decision, this is what Ngulube DCJ (as he then was) said:-

“With regard to interest, we take into account the fact that the cause of action arose some 12 years ago, with the writ being issued in February, 1979. The trial did not take place until 1985, with judgment being delivered in May, 1987. The record of appeal was filed only in October 1990. In addition to the time taken, we note that a sum of money equal to the claim has been lying in a non-interest accruing bearing blocked account on the direction of the Central Bank and neither party can be blamed for this. In these

circumstances, we cannot ignore the fact that full interest for such a time-span would be colossal and unjustified.”

- 4.6 On the second issue; as to how interest was to be computed, Counsel argued that proceeding in the manner proposed by the Applicant would amount to compounding the interest. That compound interest is proscribed by **SECTION 4 OF THE LAW REFORM (MISCELLANEOUS PROVISIONS) ACT³** which provides that:

“In any proceedings tried in any Court of record for recovery of any debt or damages the Court may, if it thinks fit, order that there shall be included in the sum for which judgment is given interest at such rate as it thinks fit on the whole or any part of the debt or damages for the whole or any part of the period between the date when the cause of action arose and the date of the judgment:

Provided that nothing in this section –

- a. shall authorize the giving of interest upon interest;
- b. ...
- c. ...”

- 4.7 Counsel contended that compound interest can only be imposed by agreement of the parties. To buttress this submission, he relied on two cases: that of **UNION BANK OF ZAMBIA LIMITED V SOUTHERN PROVINCE COOPERATIVE MARKETING UNION LIMITED⁸**, and **YONNAH SHIMONDE, FREIGHT AND LINERS V MERIDIEN BIAO BANK LIMITED²**.
- 4.8 Counsel submitted that in the case in casu, the parties did not have any agreement allowing the charging of compound interest and, therefore, that

the Applicant was not entitled to interest on interest. That the interest awarded by the Court should be calculated on the fixed judgment sum of K62,193.35. Further, that the Applicant is not entitled to claim interest outside the period from 2nd March 2000 when the principal sum was paid into Court.

5.0 DECISION OF THIS COURT

- 5.1 We have carefully considered the judgment of this Court dated 19th September, 2017, the judgment of the IRC and the submissions of Counsel. We are indebted to Counsel for their submissions. The learned Counsel for the Respondent has aptly formulated the issues which this Court should determine; that is, how pre and post judgment interest should be calculated and secondly, whether money paid into court attracts interest.
- 5.2 Coming to the first question, on the computation of interest, State Counsel Nchito has opposed the argument by Ms. Harawa, that the principal sum carries interest from the date when the action is commenced up to the date of judgment, after which, that interest and the principal merge to become the judgment debt; and that this debt attracts interest at the current lending rate until full settlement.
- 5.3 In his view, charging interest on a judgment debt amounts to compounding the interest. He submitted that compound interest can only be imposed by

agreement of the parties and contends that in this case, there was no such agreement. He submitted that the rates of interest before and after judgment should be separately and individually calculated on the principal sum.

- 5.4 In this jurisdiction there is a plethora of authorities in which we have pronounced ourselves on this issue. This is that when a judgment is rendered, the principal sum found owing and interest if any, merge to form the judgment debt and this attracts interest as may lawfully be ordered by the Court in accordance with Section 2 of the **JUDGMENTS ACT**². The learned Counsel for the Applicant has referred us to, among others, the case of **YONNAH SHIMONDE, FREIGHT AND LINERS V MERIDIEN BIAO BANK LIMITED**² in which we stated that when a judgment of the Court is given, any principal and interest merge into the judgment debt. In the case of **BANK OF ZAMBIA V CAROLINE ANDERSON AND ANDREW W. ANDERSON**³, we said that:

“With regard to Mr. Mundashi’s argument that interest at the rate awarded by the Court should run until the date of payment, we agree with Mr. Jeary that interest after judgment is interest on a judgment debt and is entirely separate from interest awarded in the judgment. That interest at the rate awarded by the court becomes part of the judgment debt. The judgment debt carries interest in accordance with the law unless otherwise awarded. In this case there is no reason to order otherwise.

We do agree, however, that under Section 4 of the Law Reform (Miscellaneous Provisions) Act, the award awarding damages cannot order the payment of interest upon interest. The interest on damages awarded by the Court must be simple interest. When that interest merges with the judgment debt, the whole judgment debt bears interest in accordance with

the law relating to judgment debts and not in accordance with the Law Reform (Miscellaneous Provisions) Act." (Emphasis by underlining is ours)

- 5.5 We have reproduced the provisions of Section 4 of the **LAW REFORM (MISCELLANIOUS PROVISIONS) ACT** in paragraph 4.6 above. As is evident in our interpretation of this provision in the **CAROLINE ANDERSON**³ case, interest on damages awarded by the Court must be simple interest. This is the interest, which when added to the amount owing creates the judgment debt; and as we stated in the **CAROLINE ANDERSON**³ case, that judgment debt now attracts interest in accordance with the law relating to judgment debts and not in accordance with the **LAW REFORM (MISCELLANEOUS PROVISIONS) ACT**³.
- 5.6 From the foregoing, it is clear that the learned Counsel for the Respondent have misapprehended this distinction between interest calculated under Section 4 of the **LAW REFORM (MISCELLANEOUS PROVISIONS) ACT**³ and interest calculated in accordance with the law relating to judgment debts.
- 5.7 There is in place, the **JUDGMENTS ACT**² which provides for payment of interest on judgment debts. It provides in Section 2 that:-
- "Every judgment, order or decree of the High Court or of a subordinate court whereby any sum of money or any costs, charges or expenses are to be payable to any person shall carry interest as may be determined by the Court which rate shall not exceed the current lending rate as determined by the Bank of Zambia from the time of entering up such judgment, order or decree until the same shall be satisfied..." (emphasis added)**

5.8 Section 4 of the **LAW REFORM (MISCELLANEOUS PROVISIONS) ACT³** confers discretionary power on the Court to award simple interest on debts and damages from the date that the cause of action arose up to the date of judgment. The usual practice by the courts has been to peg this interest at the average short-term deposit rate from the date when an action is commenced up to the date of judgment. After judgment, the rate of interest imposed is in accordance with the **JUDGMENTS ACT²**, that is to say ‘at the current lending rate as determined by the Bank of Zambia.’ We have enunciated this formula in many decisions. One such decision is the case of **BARCLAYS BANK ZAMBIA PLC V PATRICIA LEAH CHATTA CHIPEPA¹⁰**, where we said:-

“We have stated in a number of cases that interest shall be awarded at the short-term bank deposit rate from date of writ to date of judgment, thereafter at the current lending rate as determined by Bank of Zambia from date of judgment to date of payment, unless the parties have agreed otherwise...”

5.9 It follows therefore, that once a judgment is given, the principal and the interest, calculated at the average short-term deposit rate merge to comprise the judgment debt. Thereafter, unless the parties have otherwise agreed, the judgment debt will attract interest at no more than the current lending rate as determined by the Bank of Zambia.

From the foregoing, we find that the argument by the learned Counsel for the Respondent, that the charging of interest on a judgment debt up to date of payment, amounts to compounding the interest is untenable.

- 5.10 In this case, the IRC awarded interest “*...at the Bank of Zambia short term lending rate from the time of filing the complaint to the date of judgment...*”, A similar order was made by the IRC in the case of **ZAMBIA NATIONAL COMMERCIAL BANK PLC V JOSEPH KANGWA**¹¹. In reversing the IRC, we stated:-

“...we agree with counsel for the appellant that the lower court wrongly applied the Bank lending rate for the period starting from the filing of the complaint up to the date of judgment when we have said in a number of authorities that during that period the rate applicable should be the short-term fixed deposit rate.”

- 5.11 It was, therefore, a misdirection for the IRC to have applied the Bank of Zambia short term lending rate from the date of filing of the complaint up to the date of judgment in its judgment. In our judgment dated 31st August 2017, we appear not to have critically examined this order and inadvertently stated that ‘*... interest shall be applied as awarded in the judgment of the IRC dated 19th April 2007.*’ We omitted to prescribe the correct rate of interest on the judgment debt. Consequently, in keeping with the law and established practice on the award of interest up to the date of judgment, we hereby correct our judgment under Rule 78 of the Supreme Court Rules and order that interest shall be calculated at the average short-term deposit rate

from the date of filing the complaint up to the date of judgment, and thereafter, at the current lending rate as determined by the Bank of Zambia, up to the date of full settlement.

5.12 We now come to the second issue which is whether money paid into court attracts interest. Ms. Harawa, on behalf of the Applicant, graciously conceded that money paid into Court does not attract interest and she made no submissions in rebuttal. It is on record that the Respondent paid the sum of K69,570.55 into court on 6th October 2009.

5.13 From the various authorities cited to us, it has been established that the basis of an award of interest is that the Defendant has kept the Plaintiff out of his money and has had the use of it himself and should therefore, compensate the Plaintiff for the period that he has kept him (the Plaintiff) out of the use of his money. This principle is also entrenched in English law. In the case of **HARBUTT'S PLASTICINE LIMITED V WAYNE TANK AND PUMP CO. LIMITED**⁶, Lord Denning, M.R., had this to say:-

“An award of interest is discretionary. It seems to me that the basis of an award of interest is that the defendant has kept the plaintiff out of his money; and the defendant has had the use of it himself. So he ought to compensate the plaintiff accordingly.

The reasoning does not apply when the plaintiff has not been kept out of his money but has in fact been indemnified by an insurance company. I do not think the plaintiff should recover interest for himself on the money when he has not been kept out of it.”

5.14 It is trite that once money has been paid into court by a defendant, there can be no basis for requiring such defendant to pay interest on that money from the date that it is paid into court. We made this clear in the case of **BP ZAMBIA PLC V EXPENDITO CHIPASHA AND 235 OTHERS⁴**, when we stated that:

“It is trite law that once money is paid into Court, it stops attracting interest. It follows that in the event that the money paid into Court is less than the amount that is subsequently found by the Court to be due, the Defendant would only be liable to pay interest on the difference, being the amount the Defendant had continued keeping away from the Plaintiff...”

The payment of money into court is intended to promote settlement of the matter, and also to protect the defendant from incurring interest on that money.

5.15 We therefore agree with Counsel for the Respondent, that the money which was paid into court by the Respondent could only attract interest from the date when the action was commenced up to the date of payment into Court. This position is supported by **ORDER 22/1/8 of the RULES OF THE SUPREME COURT OF ENGLAND⁽¹⁾**, which explains that *“Any interest that may be awarded on the debt or damages recovered should be calculated up to the date of payment into court”*.

5.16 Now, in this case, the IRC delivered its judgment in favour of the Appellant on 9th October, 2007. In our decision of 12th June, 2009 we upheld the decision of the IRC. The Respondent only paid what it considered to be the

judgment sum into court, on 6th October, 2009, well after the judgment of the IRC and this Court. The Respondent cannot, therefore, claim any comfort from the principle which shields a litigant from paying interest on a judgment sum up to the date of judgment, when the money has been paid into court. It is clear, in this case, that the Applicant was kept out of his money up to the date of judgment of the IRC and this Court.

5.17 Accordingly, we hold that the Appellant is entitled to interest on the judgment sum, at the average short term deposit from the date of commencement of the action to the date of the IRC judgment of 9th October 2007 and thereafter, the judgment sum shall attract interest at the current lending rate as determined by the Bank of Zambia.

5.18 State Counsel Nchito argued that the amount of interest claimed by the Applicant is inflated and unfair, because the dispute on interest had been before court for over 12 years from the time that the IRC delivered its judgment. He invited us to adopt the approach which we took in the case of **GRINDLAYS BANK INTERNATIONAL (Z) LIMITED V NAHAR INVESTMENTS LIMITED**⁷. We have referred to this case in paragraph 4.5 above and have reproduced a portion of that judgment giving our reasoning in arriving at that decision.

- 5.19 In that case, we did not only consider the long time span which the matter took to be completed, but also the fact that a sum of money, equal to the claim, was held in a non-interest bearing account at the direction of the Bank of Zambia and neither of the parties was to blame for that state of affairs. We, therefore, took the view that awarding full interest for a time span of 12 years in those circumstances would be unjustified. We, thus limited the duration of pre-trial interest to three years from the date of the writ, which time we considered adequate for any case which is diligently prosecuted to be finalised.
- 5.20 While the case in casu might have taken long to be prosecuted as pointed out by State Counsel Nchito, we take the view that it is distinguishable from the case of **GRINDLAYS BANK INTERNATIONAL (Z) V NAHAR INVESTMENTS LIMITED**⁷. This is because in this case, the judgment of the IRC was delivered on 9th October 2007. The matter was escalated to this Court by the Respondent and we delivered our judgment on 12th June, 2009 upholding the decision of the IRC to award the Applicant twenty-four months' salary as compensation. The Applicant applied for assessment of damages before the Deputy Registrar of the IRC. The Respondent appealed against the assessment by the Deputy Registrar to the full bench of the IRC. The matter was further escalated to this Court where we rendered our

judgment on 19th September 2017. Meanwhile, the Respondent paid the money into Court on 9th October, 2009. It is apparent that the Respondent did not pay any money into court which it considered to be interest on the judgment debt. The matter appears to have been protracted by the parties themselves who were appealing at each stage. We, therefore, find no justification to curtail the period during which interest should be charged, more so that it is the Respondent who refused to pay the interest due in the face of clear provisions of the law and various authorities of this Court on the formula for calculating interest before and after judgment.

6.0 CONCLUSION

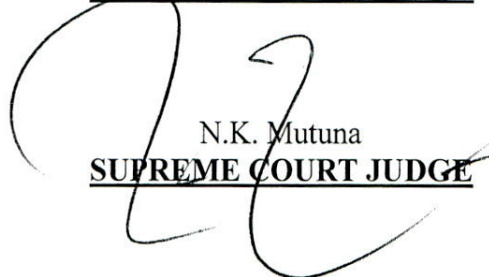
From the foregoing, this notice of motion has essentially succeeded. For avoidance of doubt, we order that interest on the principal sum should be calculated at the average short-term deposit rate from 2nd March, 2000 when the complaint was filed, up to the date of Judgment of the IRC, and thereafter, interest on the judgment debt (which comprises of the principal sum and the interest), should be calculated at the current lending rate as determined by the Bank of Zambia until full settlement of the judgment debt. We make no order as to costs.



I.C. Mambilima
CHIEF JUSTICE



C. Kajimanga
SUPREME COURT JUDGE



N.K. Mutuna
SUPREME COURT JUDGE