

IN THE HIGH COURT OF PUNJAB AND HARYANA
AT CHANDIGARH

FAO No. 19 of 1996 (O/M)
Date of decision : 5.8.2015

The Oriental Insurance Company Limited Appellant

Versus

Karam Singh and others Respondents

CORAM: HON'BLE MR. JUSTICE KULDIP SINGH

Present:- Mr. Rohit Goswami, Advocate, for,
Mr. D.P. Gupta, Advocate, for the appellant.

None for respondent No. 1.

1. Whether the Reporters of local newspaper may be allowed to see the judgment ?
2. To be referred to the Reporter or not.
3. Whether the judgment should be reported in the digest ?

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KULDIP SINGH, J. (ORAL)

The insurance company has filed this appeal against the order dated 18.10.1995, passed by the Commissioner Under the Workmen's Compensation Act at Karnal (in short 'the Commissioner'), vide which the insurance company was ordered to pay certain compensation under the Workmen's Compensation Act (in short 'the Act').

In this case, the accident was of year 1989. The only contention of the learned counsel for the appellant is that the Commissioner awarded simple interest @ 6% per annum from the date of filing of the claim petition i.e. 12.6.1991 to the date of

realization or till 30.11.1995, whichever is earlier. Thereafter, from 1.12.1995 onwards, the appellant/respondent was directed to pay the compound interest at the rate of 12% per annum on the said compensation.

The learned counsel for the appellant has pointed out to Section 4-A Sub-section (3) of the Act, wherein only simple interest @ 6% per annum is payable. In this way, the grant of compound interest @ 12% per annum from 1.12.1995 is illegal and against the mandate of the said section. No other argument has been raised.

In view of the matter, the portion of the order awarding 12% per annum compound interest with effect from 1.12.1995 is set aside and in its place, 6% per annum simple interest will be payable.

The appeal is allowed to the said extent.

(KULDIP SINGH)
JUDGE

5.8.2015
sjks