

IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH

FAO No.1911 of 2012 (O&M)
Date of Decision:24.02.2015

New India Assurance Company

....Appellant

Versus

Vinod Kumar and another

....Respondents

CORAM: HON'BLE MS. JUSTICE NAVITA SINGH

Present: Mr. R.C. Gupta, Advocate for the appellant.

Mr. N.L. Sammi, Advocate for respondent No.1.

NAVITA SINGH, J.

1. This appeal is preferred by the Insurance Company against the award dated 13.9.2011 passed by Commissioner under Workmen's Compensation Act, Sonapat (Commissioner for short), whereby compensation to the tune of Rs.6,93,448/- was granted to respondent No.1.

2. The short point on which the Insurance Company filed the appeal was that liability could not be fastened on it to pay the interest. Compensation was awarded for the injury received by respondent No.1 during the course of employment with respondent No.2. Interest at the rate of 12% was awarded and the entire amount including interest was ordered to be paid by the Insurance Company.

3. Learned counsel for the appellant argued that liability to pay interest and penalty is of the employer and not of the Insurance Company. In this case, penalty was not awarded. Interest is also not liable to be paid by the Insurance Company.

4. It was held by the Supreme Court in Kashibhai Rambhai Patel Vs. Shahabhai Somabhai Parmar 2000 (4) ALL MR (SC) 592 that Insurance

Company cannot be made liable to pay the amount of penalty under the Workmen's Compensation Act but liability in respect of interest would be of the Insurance Company. Also it was so held by the Supreme Court in Ved Prakash Garg Vs. Premi Devi and others Accidents Claims Journal 1998.

5. In view of the above, the appeal is dismissed.

**(NAVITA SINGH)
JUDGE**

24.02.2015
Ishwar

Whether to be referred to reporter: Yes