IN THE HIGH COURT OF PUNJAB AND HARYANA,
AT CHANDIGARH

205

FAO No.3225 of 2013 (O&M)
Decided on : 28.02.2017

Bimla and others

... Appellants

Versus

Satbir Singh and others

.. Respondents

CORAM : HON'BLE MR.JUSTICE G.S.SANDHAWALIA

Present : Mr.Vivek Goyal, Advocate
for the appellants.

Mr.M.B.Jain, Advocate
for respondent No.2.

G.S.Sandhawalia, J. (Oral)

CM No.13698 CII of 2013

The application for condonation of delay of 227 days in filing the appeal, has been filed. Reply to the said application has been filed opposing the same.

In view of the averments made in the application, duly supported by an affidavit, and since the mistake as such committed, was on the part of clerk of the counsel whose affidavit has been appended, this Court is of the opinion that the sufficient cause has been shown in the application to condone the delay. Accordingly, the application is allowed and the delay of 227 days in filing the appeal is condoned.

FAO No.3225 of 2013

The present appeal is directed against the order dated 07.08.2012, passed by the Commissioner, Kurukshetra, whereby while granting compensation of Rs.3,95,850/- under the Employees Compensation Act, 1923 (for short the 'Act'), no specific direction was issued to pay the interest. Rather, it was directed that the Insurance company would deposit the aforesaid compensation in the court within 30 days from the date of receipt of the order failing which the Insurance Company would be liable to pay the interest at the rate of 12% per annum on the awarded amount till its realization. Penalty proceedings were initiated and the case was fixed for 11.09.2012 in which factum of interest also was mentioned.

The law has already been settled by the Apex Court in case of ***Oriental Insurance Company Ltd. Vs. Siby George, 2012 (4) SCT 299***. whereby keeping in view the judgment of ***Ved Parkash Garg Vs. Premi Devi & others (1997) 8 SCC 1,*** that the interest element is to be paid by the Insurance Company in the absence of any contracting out. In such circumstances, the interest is payable on the awarded amount from the date it fell due. It has been further held by the Apex Court in ***Saberabibi Yakubbhai Shaikh Vs. National Insurance Co. Ltd. (2014) 2 SCC 298*** that interest would be from the date of accident.

In the present case, the accident took place on 08.05.2011 in which Bhoop Singh had died. Resultantly, the claimants are entitled for interest on the awarded amount by the Insurance company from the date of accident i.e. 08.05.2011 and not from the date of award i.e. 07.08.2012.

In view of the fact that a separate show cause notice had also been issued for the penalty proceedings, counsel does not press that aspect since he could not inform the Court as to whether the said penalty proceedings have been finalized or not. In case, they have not, the Commissioner will take adequate steps to finalize the said proceedings.

The appeal is, accordingly, allowed keeping in view the substantial question of law being raised, and the amount of interest will be deposited by the Insurance Company from the date of accident i.e. 08.05.2011, within a period of four weeks from the date of receipt of the certified copy of the order.

[G.S.Sandhawalia]
Judge

28.02.2017
sd

Whether speaking/reasoned : Yes/No
Whether Reportable : Yes/No