**IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH**

**(207)** **FAO-468-2012 (O&M)**
**Decided on: April 4, 2019.**

**NEW INDIA ASSURANCE COMPANY LIMITED**

**.... Appellant**

**Versus**

**SANTRO DEVI AND ORS**

**..... Respondents**

**CORAM: HON'BLE MRS. JUSTICE REKHA MITTAL**

Present: Mr. J.S. Chatrath, Advocate
and Ms. Priya Deep, Advocate
for Mr. Ashwani Talwar, Advocate
for the appellant.

Mr. Sunil K. Rana, Advocate
for the respondents.

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The present appeal directs challenge against the order dated 18.11.2011 passed by the Commissioner, Karnal under the Employees Compensation Act 1923 (in short "the Act") whereby compensation has been assessed on account of death of Purshotam Dutt in an occurrence dated 20.01.2010.

Counsel for the insurance company has assailed the impugned order primarily on two grounds. It is argued that as per the insurance policy (Annexure A1) issued under the Workmens Compensation (General), the Insurance Company has covered the risk of three skilled and unskilled workers and two supervisory staff engaged by the insured, in the business of Meter Checking and Installation, LT and HT Line Plus Transformer

Installation. It is argued that as the deceased was working as a driver with the insured, risk of injury or death of the deceased is not covered under the policy (Annexure A1) and as such, the Insurance Company has wrongly been saddled with liability to pay compensation. Another submission made by counsel is that as per the policy conditions appended with CM-4913-CII-2013, liability to pay interest cannot be fastened upon the Insurance Company.

Counsel representing the respondents/claimants has supported the impugned order with the submission that the deceased was a skilled worker engaged by the private-respondents for the business, referred to in the policy though at the relevant time he was driving the vehicle on the instructions of his employer. It is further argued that interest becomes a part of compensation and the insurance company cannot escape liability to pay interest in addition to compensation assessed by the Commissioner.

Claimants raised a categoric plea that the deceased was engaged as a skilled worker by M/s. Shiv & Rajesh Sharma through whom insurance policy (Annexure A1) was obtained but at the time of unfortunate occurrence, he was driving the vehicle on the instructions of his employer. In this view of the matter, insurance company cannot raise a factual controversy that either the deceased was not working as a skilled worker or he did not sustain injuries in the course of employment. Liability to pay compensation to the applicants for death of Purshotam Dutt is clearly covered under the policy (Annexure A1), admittedly issued by the appellant-insurance company.

A perusal of the policy would reveal that it does not contain a clause that the insurance company shall not be liable to pay interest in addition to compensation with regard to injury or death of persons covered under the policy. It is not clear as to when the conditions sought to be relied upon were formulated and under whose instructions. The interest becomes part of compensation in case the compensation is not paid within a stipulated period. As such, the insurance company cannot escape liability to pay interest awarded by the Commissioner.

No other point has been raised.

For the aforementioned reasons, finding no merit, the appeal is dismissed.

**(REKHA MITTAL )**
**JUDGE**

***April 4, 2019.***
*tarun/paramjit saini*

Whether speaking/reasoned: Yes/No

Whether reportable: Yes/No