

FAO- 708 of 1997 (O&M)
Date of Decision: 24.1.2020

**The Divisional Manager, Oriental Insurance Company Limited,
Ferozepur and another**

---Appellants

versus

M/s Bhagat Ram Mohan Lal and others

---Respondents

Coram: Hon'ble Mrs. Justice Rekha Mittal

**Present: Mr. Lalit Garg, Advocate
for the appellant**

**Mr. Neeraj Khanna, Advocate,
for Mr. Deepak Suri, Advocate
for respondent No. 1**

Rekha Mittal, J.

Challenge in the present appeal has been directed against order dated 18.12.1996 passed by Commissioner under Workmen's Compensation Act, 1923 (in short "the Act") whereby compensation has been assessed with regard to death of Pinky in an occurrence dated 7.12.1988, during the course of employment as driver with M/s Bhagat Ram Mohan Lal, Grain Market Kotkapura, to the limited extent that the Commissioner has allowed interest @ 12% per annum as against 6% per annum, statutorily provided at the time of unfortunate occurrence.

There is no representation on behalf of the claimants. However, counsel for respondent No. 1 therein has not disputed that at the relevant time, rate of interest provided in the Act was 6% per annum.

The Commissioner has allowed interest @ 12% per annum from the date of filing of application i.e. 9.9.1991 till payment of amount assessed towards compensation and penalty. In view of the provisions of the Act, the employer is obligated to pay/deposit compensation within 30 days from the date of occurrence. That being so, the employer incurs liability to pay interest at the stipulated rate on expiry of 30 days from the occurrence. That being so, by way of modification interest @ 6% per annum is allowed on compensation of Rs. 71,680/- with effect from 6.1.1989 till realization of the amount.

In view of what has been discussed hereinbefore, the appeal stands disposed of in the aforesaid terms.

(Rekha Mittal)
Judge

24.1.2020

PARAMJIT

Whether speaking/reasoned : Yes

Whether reportable : Yes/No