



FAO-1111-2000

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

**FAO-1111-2000
Decided on : 24.09.2025**

PSEB

..... Appellant

Versus

Vinod Kumar

..... Respondent

CORAM : HON'BLE MR. JUSTICE PANKAJ JAIN

Present : Mr. H.S.Ghuman, Advocate
for the appellant.

None for the respondent.

PANKAJ JAIN, J (ORAL)

1. The present appeal preferred under the Workmen's Compensation Act is against the order dated 26.11.1999, passed by the Asstt. Labour Commissioner, Jalandhar.

2. The claimant, who was employed as Lineman, met with an accident on 24.11.1995 during the course of his employment. He was declared 100% permanently disabled. Though the respondent paid him compensation of Rs.74,835/- but the same was paid only on 26.03.1997. The claimant filed application seeking interest, penalty as well as enhancement of penalty in terms of the provisions contained under the Act. The Commissioner while allowing the application observed as under:-

“4. I have heard the Authorised representatives of both the



parties. The Act provides that compensation becomes due on the next very day when the accident occurs and the employers shall pay compensation within a month. In this case the accident had occurred on 24.11.95 and the respondents have deposited the part payment on 27.3.97 vide cheque no.843349 dated 26.3.94 for Rs.74,835/- through the applicant was entitled to Rs.179670/- as compensation the part payment which was made on 27.3.97 is delayed by more than one and half year. The lengthy official procedure can held in case of Balbir Singh V/s State of H.P. (1991) 1 ACC 357 that

(1) “The Act is beneficial piece of social legislation. It is meant to safeguard the interest of workmen and the approach is also to get them the claimed amount at the earliest and slackness on the part of the employer in depositing the amount of compensation has been made stringent by providing penalty to the extent of 50% on the total amount of compensation.

(2) The contention that the respondents were not aware of the exact amount payable to the claimant is not convincing since they could pay any amount which according to them, the claimant was entitle as the nature and extent of injury was known to them.”

In another case of Smt. Chanto v/s Industrial Cables India Ltd. 1992 (4) SLR 410 (P&H) own High Court has held that -

(1) “Sub-Section (3) or Section 4 A is a mandatory provision in as much as compensation is not paid within one month, the claimant shall be entitle to recover the penalty as well which goes up to 50%.

(2) Where there is undue delay in making the amount of compensation it is sufficient for imposing penalty notwithstanding that a specific prayer was not made in the original application.”

In view of the facts and circumstances of the case I award



interest Rs.43,140/- and also impose penalty Rs.15000/- for delay in giving compensation without any cogent reason and relied upon the above quoted decision's for arriving at such conclusion."

3. In the considered opinion of this Court, no fault can be found with the award of penalty for delayed payment and interest thereon.

Finding no merits in the present appeal as the same involves no substantial question of law, the appeal is dismissed.

24.09.2025

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**(PANKAJ JAIN)
JUDGE**

Whether speaking/reasoned: Yes/No

Whether reportable: Yes/No