



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

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**FAO-1167-2000 (O&M)
Date of decision : 16.03.2026**

Bhojpat

..... Appellant

versus

Sumeri and others

..... Respondents

CORAM : HON'BLE MR. JUSTICE PANKAJ JAIN

Present: Mr. Kunal Phogat, Advocate
for the appellant.

Mr. Maninder Arora, Advocate
for the respondent No.5-Insurance company.

PANKAJ JAIN, J. (Oral)

1. The present appeal is at the behest of the owner aggrieved of the order passed by the Commissioner under Workman's Compensation Act, 1923 whereby liability to pay interest has been saddled upon him observing as under:-

“The applicants are entitled to a sum of Rs. 1,97,060-00 as compensation considering the age of the deceased 35 yrs. monthly Salary Rs. 2000/- (Maximum Wages limit as per the W.C. Act, 1923) being the dependents of the deceased. The Respondent No. 2 i.e. Insurance Company is liable to pay this awarded amount of compensation.

I also awarded a simple interest @ 12% per annum on said awarded amount of compensation from the date of accident i.e. till the date of order i.e. 18.08.1999.

As the Respondent No.1 could not prove that he has already supplied the better particulars to the Respondent No. 2 for calculating the Compensation, therefore, the Respondent No. 1 is liable to pay the said awarded amount of interest.”



2. Counsel for the insurance company is not in a position to dispute that in terms of ratio of law laid down by Supreme Court in the case of *Ved Prakash Garg vs. Prem Devi* reported as **1997 AIR (SC) 3854**, the liability to pay interest has to be shouldered by the insurance company and not by the owner. He, however, submits that since the owner failed to inform about the accident to the insurer, the Commissioner has rightly held the owner liable to pay interest. The plea raised by Mr. Arora cannot be accepted. Even after appearing before the Commissioner, the insurance company failed to pay provisional compensation to the claimant.

3. In view of above, the present appeal is disposed off, with the modification in the impugned award that the liability to pay interest as well as amount of compensation has to be borne by the insurance company and not by the owner.

4. Ordered accordingly.

5. Since the main case has been decided, pending miscellaneous application, if any, shall also stands disposed off.

(PANKAJ JAIN)
JUDGE

16.03.2026

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Whether speaking/reasoned : Yes

Whether Reportable : No