



FAO-6075-2017 (O&M)

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

FAO-6075-2017 (O&M)

Date of Decision : 16.07.2025

Manju Bala and others

... Appellants

Versus

Shankar Lal and another

... Respondents

**CORAM: HON'BLE MR. JUSTICE PANKAJ JAIN**

Present: Mr. Dhiraj Narula, Advocate,  
for the appellants.

Mr. Sandeep Suri, Advocate,  
for respondent No.2.

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**PANKAJ JAIN, J. (Oral)**

The claimant is in appeal against order dated 03.08.2016 passed by the Commissioner under Employees' Compensation Act, 1923.

2. Grievance raised is against the quantum of compensation awarded by the Commissioner. Counsel for the appellant has pointed out 3 legal infirmities in the order. He submits that monthly wages of deceased-Chiranji Lal have been taken to be ₹ 7000/- per month, whereas it ought to have been taken as ₹ 8,000/- per month in view of notification issued by Central Government on 31.05.2010 under Section 4(1B) of the 1923 Act. He further submits that the interest awarded is 9% which ought to have been



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12% in terms of Section 4A. Nothing has been paid under the head of penalty for delayed payment.

3. Counsel for the insurance company is not in a position to dispute that in terms of notification dated 31.05.2010, wages have to be taken as ₹ 8,000/-. Keeping in view the date of accident, i.e. 03.02.2013 interest also in terms of Section 4A has to be charged @ 12% for the period commencing from 30 days after the date of incident till the date of payment.

4. Keeping in view the ratio of law laid down in **Ved Prakash Garg v. Premi Devi** reported as **(1997) 8 SCC 1**, penalty is to be paid not by the insurance company but by the employer. The claimants are also held entitled to penalty which shall be 25% of the awarded amount.

5. With the aforesaid modification in the impugned award, the appeal is disposed of.

( PANKAJ JAIN )  
JUDGE

July 16, 2025

Paritosh Kumar

Whether speaking/reasoned	Yes/No
Whether reportable	Yes/No