

FAO-2157-1998(O&M)

2025:PHHC:097224



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IN THE HIGH COURT OF PUNJAB AND HARYANA
AT CHANDIGARH

FAO-2157-1998 (O&M)

Date of decision : 31.07.2025

National Insurance Co. Ltd.

..... Appellant

Versus

Smt. Kamlesh & ors.

..... Respondents

CORAM : HON'BLE MR.JUSTICE PANKAJ JAIN

Present :- Mr. Deepak Suri, Advocate
for the appellant.

PANKAJ JAIN, J. (ORAL)

CM-11856-CII-1998

This is an application seeking condonation of delay of 265 days in re-filing the present appeal.

For the reasons recorded in the application, this Court is satisfied that the applicant-appellant has shown sufficient cause to condone the delay in re-filing the appeal.

Application is allowed. Delay of 265 days in re-filing the appeal is condoned.

Main case

1 Order dated 17.02.1999, with respect to the refusal to the service by respondents No.3 & 4, reads as under :-

“Notices issued to respondent Nos. 3 and 4 have been received back with the report that they have refused to take notice



and notice has been affixed. None has put in appearance on their behalf.

Prayer has been made in the Application to condone the delay of 19 days in filing the appeal. Having regard to the averments made in the Application, I am satisfied that the delay has been properly explained. Delay is accordingly condoned.

FAO is admitted.”

2 Challenge is to order dated 02.09.1997, passed by Commissioner, Karnal, under the Workmen’s Compensation Act, 1923 (for short ‘the 1923 Act’). The only dispute is with respect to liability to pay the penalty awarded by the Commissioner, as contemplated under Section 4A of the 1923 Act.

3 Mr. Deepak Suri, Advocate, does not dispute that in terms of settled law, the insurance company is liable to pay interest but submits that it is the employer who has to shoulder the liability to pay penalty.

4 Commissioner awarded the following compensation :-

1	<i>Compensation</i>	<i>Rs.78,824.00</i>
2	<i>Interest</i>	<i>Rs.10,026.00</i>
3	<i>Penalty</i>	<i>Rs.19,706.00</i>
4	<i>Expenses</i>	<i>Rs. 2,000.00</i>
	<i>Total</i>	<i>Rs.1,10,556.00</i>

5 In view of the ratio of law laid down by Supreme Court in ***Ved Prakash Garg Vs. Premi Devi, 1997 AIR (SC) 3854***, the impugned order is modified to the extent that the appellant is exonerated of liability to pay penalty i.e. Rs.19,706/-. The same shall be borne by respondents No.3 & 4. Award with respect to grant of compensation and interest thereon is ordered



to be maintained. The Insurance Company i.e. the appellant shall be liable to pay the amount of compensation along with interest and the expenses.

6 Appeal stands disposed off.

7 Pending miscellaneous application, if any, also stands disposed off.

31.07.2025

Pooja Sharma-I

**(PANKAJ JAIN)
JUDGE**

Whether speaking/reasoned:

Yes/No

Whether reportable:

Yes/No