NAFR

HIGH COURT OF CHHATTISGARH AT BILASPUR

WP227 No. 677 of 2019

The Oriental Insurance Company Limited, through Branch Manager, The Oriental Insurance Company Ltd, Branch Office Transport Nagar, Korba, Tahsil and District Korba, Chhattisgarh.

--- Petitioner

Versus

1. Mahettar Singh Uraon S/o Late Gangaram, Aged about 50 years, Caste Uraon.
2. Sukwara Bai W/o Mahettar Singh Uraon, Aged about 48 years.

   Both are R/o Village Patrapali, District Raigarh, Presently residing at Kashinagar Korba, Tahsil and District Korba, Chhattisgarh.
3. Akhand Singh S/o Jagmohan Singh, Aged about 41 years, Caste Gond, R/o Garh, Post Machadoli, Police Station Katghora, Tahsil and District Korba, Chhattisgarh.
4. Abdul Gani Khan S/o Late Abdul Gaffar, R/o Qtr. No. B-861, Kaveri Bihar, Block No. 2, NTPC Colony, Korba, Tahsil Katghora, District Korba, Chhattisgarh.

---- Respondents

For Petitioner : Mr. Pankaj Agrawal, Advocate

Hon'ble Shri Justice Sanjay K. Agrawal

Order on Board

04/09/2019

1. Heard on the question of admission and I.A. No. 1, application for grant of stay.

2. In a claim petition preferred by the claimants/respondents No. 1 and 2 herein, learned Claims Tribunal passed an award dated 14/01/2016 of Rs. 3,74,054 /- along with interest @ 8 % per annum in their favour. The said awarded amount was deposited by the petitioner – insurance company before the Claims Tribunal after deducting Rs. 32,840 /- towards TDS and certificate to that effect under Section 203 of Income Tax Act, 1961 was issued to the claimants on 06/04/2016.
3. It is a case of the petitioner – insurance company that though TDS has been deducted and TDS certificate has been issued to the claimants, yet learned Claims Tribunal has directed for deposit of the amount of TDS by the impugned order dated 05/04/2019.
4. Mr. Pankaj Agrawal, learned counsel appearing for the petitioner – insurance company submits that the impugned order passed by learned Claims Tribunal is contrary to the well-settled law in this regard and the petitioner – insurance company is justified in deducting TDS while depositing the awarded amount, therefore, learned Claims Tribunal has exceeded jurisdiction for directing the petitioner company to deposit the amount of TDS.
5. It appears from the record that an amount of Rs. 32,840 /- was deducted towards TDS and TDS certificate under Section 203 of the Income Tax Act, 1961 was issued to the claimants which is in accordance with the decision rendered by this Court in W.P. No. 64/2005 (The Oriental Insurance Company Limited Vs. Smt. Sita Kunwar & Ors.), decided on 14/08/2015. In view of the aforesaid principle of law laid down by this Court, the Claims Tribunal is

absolutely unjustified in directing the petitioner – insurance company to deposit the amount of TDS by the impugned order. Consequently, the impugned order dated 05/04/2019 passed by the Claims Tribunal is hereby set aside. The Claims Tribunal is directed to provide a copy of the TDS certificate to the claimants for proceeding in accordance with law.

6. With the aforesaid observations, this writ petition is allowed to the extent indicated herein-above. Claimants/respondents No. 1 and 2 are at liberty to file application for modification, if any.

7. A copy of this order be sent to the concerned Claims Tribunal by e-mail/fax.

Sd/-
(Sanjay K. Agrawal)
Judge

Harneet