

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 29.11.2019

CORAM

THE HONOURABLE MR.JUSTICE C.SARAVANAN

C.M.A.No.1798 of 2014

1.Chandra

2.Minor Kalaiarasan

3.Minor Shanmuga Priya

(Minor petitioners 2 and 3 rep. by
Guardian mother 1st petitioner)

4.Palani ammali

5.Ayyannan

...Appellants

vs

1.Kuppusamy (Remained Exparte)

2.National Insurance Company Ltd.,
II Floor, Thanthi Periyar Market Complex,
1, Govindasamy street,
Salem 636 001.

...Respondents

Prayer: Civil Miscellaneous Appeal filed under Section 30 of Workmen's Compensation Act, 1923, to modify the orders dated 30.09.2013 made in W.C.No.402 of 2007 passed by the Deputy Commissioner of Labour, Salem by granting interest for the compensation amount from the date of the accident till the date of deposit.

For Appellants : Mr.A.Murugan

For R2 : Mr.S.Vadivel

For R1 : Not Ready Notice

J U D G M E N T

The appellants were the claimants before the Deputy Commissioner of Labour, Salem in W.C.No.402 of 2007. The said claim petition was filed by the dependents of late Ramesh, after his death on 21.07.2007. The said Ramesh was employed by the 1st respondent,.

2.By the impugned order, the Deputy Commissioner of Labour has awarded a sum of Rs.4,15,160/- as compensation together with Rs.2,500/- for funeral expenses, to be paid within a period of thirty days from the date of the impugned order, failing which the 2nd respondent/Insurance Company was liable to pay interest at 12% per annum from the date of accident till the date of deposit.

3.Aggrieved by the above direction restricting the interest, the present Civil Miscellaneous Appeal has been filed. In the present Civil Miscellaneous Appeal, the appellants have raised the following substantial question of law for consideration:-

Whether the Deputy Commissioner of Labour is correct in not posting an order of interest for the compensation amount of Rs.4,17,660/- from the date of accident till the date of deposit, in view of a decision reported in 2013(1) CLT page 564 passed by the Hon'ble High Court, Chennai?

4.It is submitted by the learned counsel for the appellants that the interest is payable from the date of the accident and not as ordered by the Deputy Commissioner of Labour, Salem.

5. As per the following judgments, interest can be awarded from the date of accident:-

- i. Pratap Narain Singh Deo vs Srinivas Sabata and Another, (1976) 1 SCC 289.
- ii. Jaya Biswal and Others vs Branch Manager, IFFCO Tokio General Insurance Co. Ltd., 2016 (1) TN MAC 289 (SC).
- iii. N.Ganesan vs Thilagavathi and Others, 2010 (2) TN MAC 80 (DB).
- iv. R.Prakasam vs M/s. A to Z Cargo Carieer and Another, passed by this Court in C.M.A.No.2558 of 2015.

6.In Pratap Narain Singh Deo vs Srinivas Sabata and Another, (1976) 1 SCC 289, it was held that it was the duty of the employer to pay the compensation at the rate provided in Section 4 of the Workmen's Compensation Act, 1923 as soon as personal injury was caused to the respondent under Section 4 (A) (1) of the Act.

7.In N.Ganesan vs Thilagavathi and Others, 2010 (2) TN MAC 80 (DB), after considering elaborately several decisions of the Hon'ble Supreme Court including the above cited decision, this Court held as follows:-

27. In the result, the reference is answered as follows:-

i. The word "falls due" occurring under Section 4-A of the Workmen's Compensation Act, 1923 in the light of the ratio laid down in the Larger Bench decision of the Hon'ble Supreme Court of India reported in Pratap Narain Singh Deo v. Srinivas Sabata and another, 1976 (1) SCC 289 and Kerala State Electricity Board v. Valsala, K., 2000 ACJ 5 (SC), means that interest for compensation amount would accrue 30 days after the date of the accident and not from the date of quantification/orders passed by the Commissioner for Workmen's Compensation.

8. In view of the above decisions, I am inclined to allow this Civil Miscellaneous Appeal by awarding the interest at 12% from the date of accident till the date of deposit. Therefore, the 2nd respondent is directed to deposit the interest at 12% from the date of accident till the date of deposit within a period of 30 days from the date of receipt of a copy of this judgment.

9. Accordingly, the order of the Deputy Commissioner of Labour, Salem is modified. The present Civil Miscellaneous Appeal is allowed accordingly. No cost.

Sd/-

Assistant Registrar(CS-IV)

//True Copy//

Sub Assistant Registrar

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To

1. The Deputy Commissioner of Labour,
Salem.

2. The Section Officer,
V.R. Section, High Court, Madras.

+1cc to Mr.A.Murugan, Advocate SR.100038

+1cc to Mr.S.Vadivel, Advocate SR.99852

C.M.A.No.1798 of 2014

EV(CO)
CB(03/03/2020)