



IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 31.01.2023

CORAM:

THE HONOURABLE MR. JUSTICE RMT.TEEKAA RAMAN

C.M.A.No.1485 of 2022

and

C.M.P.No.10999 of 2022

M/s.United India Insurance Company Limited,
No.1, Bheemasena Gardens,
Royapettah High Road,
Mylapore, Chennai – 600 004.

...Appellant

Vs.

- 1.Mr.G.Syama Das
- 2.Mrs.Tiri Das
3. The Management,
Ganesan Builders Limited,
No.46A, Ramasamy Road,
Abhiramapuram,
Chennai – 600 018.
4. The Contractor, AGS Cinemas,
Alapakkam Road,
Madhuravoil,
Chennai – 600 095.

... Respondents

PRAYER: Civil Miscellaneous Appeal filed under Section 173 of the Motor Vehicles Act, 1988 against the judgment and decree dated 21.03.2019 passed in A3/4707/2018 on the file of the Commissioner for Employee's Compensation, Chennai.

For Appellant	: Mr.N.Venkatraman For M/s.Nageswaran and Narichania
For R1&R2	: Mr.S.Rajendra Kumar
For R3	: Mr.M.Suresh
For R4	: No appearance



JUDGMENT

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The Appeal has been filed against the award and decree dated 21.03.2019 passed in A3/4707/2018 on the file of the Commissioner for Employee's Compensation, Chennai.

2. Heard the learned counsel for the Appellant and the learned counsel for the first and second respondents.

3. In the decision reported in S.L.P. (Civil) No.20126 of 2005. [The New India Assurance Company Limited Vs.Harshadbhai Amrutbhai Modhiya and another] and 1(2006) ACC 159 [P.J.Narayan Vs.Union of India (Uoi) and others], the Hon'ble Apex Court held that the Insurance Company is not liable to pay the interest on the award amount granted under the Workmen Compensation Act.

4. The lower Court records reveals that the award has been made by the labour commissioner on 21.03.2019 and directed the Insurance company to deposit the compensation amount within a period of 30 days. As per the typed set of papers the Appellant addressed a letter dated 03.05.2019, stating that the liability of the insurer is proportionate to the insurance coverage as on the date of the accident. As per the policy condition, the liability of the insurer is 25/46 of the



awarded amount i.e 25/46 of Rs.9,05,880/- which is Rs.4,92,326/-. The said sum is furnished by way of Demand Draft bearing No.046645 dated 30.04.2019 in favour of "The Joint Commissioner of Labour-I" and second payment was made on 02.07.2019. This C.M.A is numbered in the year 2022. This Appeal is filed against awarding of interest to be paid by the Insurer, when there is a specific policy condition that insurer is not liable to pay interest, which was upheld by the Hon'ble Apex Court.

5. In view of the judgment of the Hon'ble Apex Court, this Court has no other option to hold that the insurance company is not liable to pay the interest after the date of the award and hence the Joint commissioner labour-I is hereby directed to release the amount of of Rs.9,05,880/- to the claim petitioner. Excess amount if any shall be refunded to the insurance company.

6. Accordingly, this Civil Miscellaneous Appeal is partly allowed. No costs. Consequently, connected C.M.P is closed.

31.01.2023

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Index : Yes/No
Speaking/Non-speaking order

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To

1.The Commissioner for Employee's Compensation, Chennai.

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



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RMT.TEEKA RAMAN, J.

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Judgment in
C.M.A.No.1485 of 2022 and
C.M.P.No.10999 of 2022

31.01.2023