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W.P.Nos.39571 of 2015 and 29767 of 2016

IN THE HIGH COURT OF JUDICATURE AT MADRAS

Dated: 19.09.2025

Coram:

THE HONOURABLE MR.JUSTICE M.DHANDAPANI

W.P.Nos.39571 of 2015 and 29767 of 2016

and

M.P.No.1 of 2015 in W.P.No.39571 of 2015

and

W.M.P.No.25753 of 2016 in W.P.No.29767 of 2016

N.Danalakshmi, W/o Late Nallusamy @ Nallasamy

.. Petitioner in W.P.No.39571 of 2015

1. N.Jenetra, W/o Nagenthran

2. Kanjana, D/o Nagenthran

.. Petitioners in W.P.No.29767 of 2016

Vs.

1. Deputy Commissioner of Labour,
Labour Court, Namakkal,
Namakkal District. (W.C.No.213 of 2006)

2. The Joint Commissioner of Labour,m
D.M.S.Complex, Teynampet, Chennai-6.

3. The Secretary to Government,
Labour and Employment Department,
Chennai-9.

4. S.Velusamy, S/o Sellappan

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5. The United India Insurance Company Ltd.,
Rep. by its Divisional Manager,
No.2, Dr.Sankaran Road,
Namakkal TK & DT.

.. Respondents in W.P.No.39571 of 2015

1. Deputy Commissioner of Labour,
Labour Court, Namakkal,
Namakkal District.
(W.C.No.256/2007)

2. The Joint Commissioner of Labour,
D.M.S.Complex,
Teynampet, Chennai-6.

3. The Secretary to Government,
Labour and Employment Department,
Chennai-9

4. P.Suresh, S/o Pitchai

5. The New India Insurance Company Ltd.,
80, Arcot Road,
Porur, Chennai-600 116.

.. Respondents in W.P.No.29767 of 2016

W.P.No.39571 of 2015 is filed under Article 226 of the Constitution of India, praying for issuance of a Writ of Mandamus directing the first respondent to disburse the amount of Rs.3,71,347/- standing in the name of the petitioner with interest and costs from the date of order in W.C.No.213 of 2006, dated 30.11.2009.

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W.P.No.29767 of 2016 is filed under Article 226 of the Constitution of India, praying for issuance of a Writ of Mandamus directing the first respondent to disperse the amount of Rs.4,14,575/- standing in the name of the petitioners on the file of the Deputy Commissioner of Labour, Labour Court, Salem, Salem District, with interest and costs from the date of order in W.C.No.256 of 2007, dated 30.11.2009.

For petitioner in both Writ Petitions: M/s.K.Rajasekaran

For respondents in Writ Petition No.39571 of 2015:

Ms.P.Aishwarya, Govt. Advocate for RR-1 to 3

Not ready in notice for R.4

No appearance for R-5

For respondents in Writ Petition No.29767 of 2016:

Ms.P.Aishwarya, Govt. Advocate for RR-1 to 3

No appearance for RR.4 and 5

COMMON ORDER

Short facts in W.P.No.29767 of 2016 :

(a) The petitioner has filed this Writ Petition for issuance of a Writ of Mandamus to direct the first respondent to disburse the amount of Rs.4,14,575/- standing in the name of the petitioner on the file of the Deputy



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Commissioner of Labour, Labour Court, Salem, Salem District, with interest and costs from the date of order in W.C.No.256 of 2007, dated 30.11.2009.

(b) The petitioner's son was a Cleaner by avocation and he died on 30.05.2007 in the course of employment and he filed a Claim Petition in W.C.No.256 of 2007 on the file of Deputy Commissioner of Labour, Labour Court, Salem, Salem District, against the owner and the Insurance Company, where the vehicle got insured. On 30.11.2009, an Award was passed ordering compensation of Rs.4,14,575/- to direct the fifth respondent herein to pay the compensation within a period of 30 days.

(c) In compliance of the order passed in W.C.No.256 of 2007 on the file of the Deputy Commissioner of Labour, Labour Court, Salem, Salem District and the United India Insurance Company Limited, deposited Rs.4,14,575/- before the Corporation Bank, by way of D.D.No.592170, dated 20.01.2010.

(d) The deposited amount was not disbursed to the petitioner in time. Hence, the Public Information Officer, Deputy Commissioner, Labour Welfare Officer, Salem, about the status of the deposit. To the shock and surprise, it was informed that the deposited amount could not be disbursed to

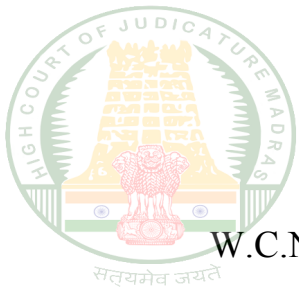


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the petitioner, since one Sundarapandian had embezzled the amount. Due to the extraordinary delay, the petitioner(s) is/are deprived of her right to get the compensation.

(e) The petitioner had sent several representation earlier to the first respondent on 28.01.2011, requesting the first respondent to disburse the said amount with interest and the first respondent, by order dated 21.02.2011, had not honoured the Award amount stating that the amount will only be settled when the embezzled amount is recovered from Sundarapandian. On 23.02.2016 and 08.07.2016, the petitioners requested the first respondent to disburse the said amount with interest and uptil now, the first respondent did not reply for the said requests.

(f) In the meanwhile, 9 other claimants in similar cases like W.C.No.113 of 2008, on the file of the Deputy Commissioner of Labour, Salem, against the order dated 15.09.2009 (in C.M.A.No.211 of 2015), W.C.No.288 of 2008 on the file of the Deputy Commissioner of Labour, Salem against the order dated 30.04.2010 in C.M.A.No.274 of 2015, W.C.No.59 of 2008 on the file of the Deputy Commissioner of Labour, Salem, against the order dated 30.04.2010 (in C.M.A.No.276 of 2015),



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W.C.No.395 of 2007 on the file of the Deputy Commissioner of Labour,

Salem against the order dated 15.09.20090 (in C.M.A.No.488 of 2015),

W.C.No.395 of 2007 on the file of the Deputy Commissioner of Labour,

Salem against the order dated 15.09.2009 (in C.M.A.No.488 of 2015),

W.C.No.522 of 2007 on the file of the Deputy Commissioner of Labour,

Salem, against the order dated 20.05.2010 (in C.M.A.No.489 of 2015),

W.C.No.60 of 2008 on the file of the Deputy Commissioner of Labour,

Salem against the order dated 15.09.2009 (in C.M.A.No.492 of 2015),

W.C.No.412 of 2008 on the file of the Deputy Commissioner of Labour,

Salem against the order dated 15.09.2009 (in C.M.A.No.493 of 2015),

W.C.No.111 of 2008 on the file of the Deputy Commissioner of Labour,

Salem against the order dated 26.02.2010 (in C.M.A.No.635 of 2015),

W.C.No.68 of 2008 on the file of the Deputy Commissioner of Labour,

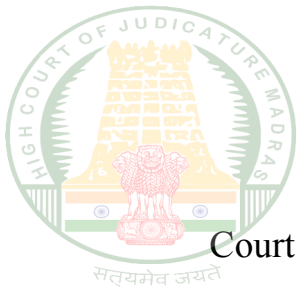
Salem against the order dated 30.11.2009 (in C.M.A.No.748 of 2015) had

approached this Court, and this Court had passed the order directing th 8th

respondent (the third respondent herein) is directed to sanction appropriate

funds for paying the Award amount in favour of the claimants. Therefore,

the fifth respondent (the first respondent herein) who is present before this



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Court is directed to give the details of the Award amounts to the newly

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impleaded Secretary to Government, Labour and Employment Department,

Chennai-9, the third respondent herein on or before 13.07.2015. The newly

impleaded Secretary to Government, Labour and Employment Department,

Chennai-9, the third respondent herein, shall take appropriate steps to make

available funds as per the request made by the fifth respondent, being the

first respondent herein, on or before 26.07.2015. The petitioner's

W.C.No.256 of 2007 on the file of the Deputy Commissioner of Labour,

Labour Court, Salem, Salem District, was filed in the year 2006/2007 and

nearly 9 years had gone since the filing of the WC and the petitioner is

running from pillar to post for getting the Award amount of the petitioner's

late husband. Hence, for all the reasons stated above, the present Writ

Petition has been filed for the relief stated supra.

2. The third respondent has filed counter affidavit in W.P.No.29767 of 2016, stating as follows:

(a) Consequent upon the orders passed in W.C.No.256 of 2007, the fifth respondent herein has deposited a sum of Rs.4,14,575/- on 25.01.2010

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by way of Demand Draft No.592170, dated 20.01.2010 with the Court in compliance of the orders of the Deputy Commissioner of Labour, Salem.

(b) The then Deputy Commissioner of Labour, Salem has embezzled the amount by depositing the Demand Draft in an unauthorised account opened by him in the name of the Deputy Commissioner of Labour, Salem. The amount was not brought into the account of Workmen's compensation fund by the then Deputy Commissioner of Labour, Salem.

(c) It is true that the petitioner sent a representation to the first respondent on 28.01.2011 and requested to take action for disbursement of the compensation amount along with interest. As the amount received for the case was embezzled by the then Deputy Commissioner of Labour, Salem, no amount was available to disburse the compensation. Hence, the petitioner was informed on 21.02.2011 that the compensation amount would be settled as soon as the amount is recovered from Thiru.T.Soundarapandian.

(d) 9 other claimants filed appeals in C.M.A.Nos.211, 274, 276, 488, 489, 492, 493, 635 and 748 of 2015 before this Court, by order dated 06.07.2015, has directed the third respondent to take appropriate steps to make available funds for paying the Award amount in favour of the



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claimants, which is correct. Consequent upon the orders of this Court, the Secretary to Government, Labour and Employment Department, Chennai (the third respondent herein), in his letter No.16895/J2/2015-8, dated 22.09.2015, had directed the first respondent to settle the claims of 9 cases from the money available in the PD Account of the Deputy Commissioner of Labour, Salem. Accordingly, the claims were settled on 25.09.2015. Further, the fact of filing of claim in the year 2006 and more than nine years had lapsed since filing of this case and non compensation was settled to the claimants, are true.

(e) Further, no money is available in the Workmen's Compensation Fund to settle the claim of the petitioner, as the Award amount deposited by the Insurance Company, was embezzled by Mr.T.Soundarapandian, former Deputy Commissioner of Labour, Salem. Since no money is available in the Workmen's Compensation Fund, the first respondent is not able to settle the claim of the petitioner and a criminal case had been filed against the said T.Soundarapandian, former Deputy Commissioner of Labour, Salem for misappropriating the compensation funds and the case is under trial before the District Judicial Magistrate-3, Salem. This Court has also granted interim



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injunction, vide order dated 29.04.2016, in C.M.P.No.7502 of 2016 in

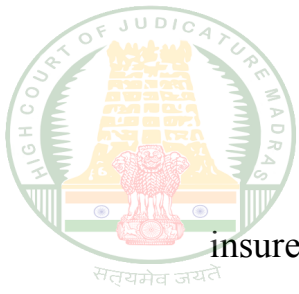
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C.M.A.No.211 of 2015 restraining the said Soundarapandian, former Deputy Commissioner of Labour, Salem, from alienating his property till the disposal of the C.M.A.No.211 of 2015. All possible steps have been taken to recover the embezzled amount from the said T.Soundarapandian and as soon as the said amount is recovered and the claim of the petitioner will be settled.

3. The facts in a nut-shell in W.P.No.39571 of 2015:

(i) The petitioner has filed this Writ Petition praying for issuance of a Writ of Mandamus to direct the first respondent to disburse the amount of Rs.3,71,347/- standing in the name of the petitioner, with interest and costs from the date of order in W.C.No.213 of 2006, dated 30.11.2009.

(ii) The petitioner's husband Late Nallusamy @ Nallasamy was a driver by avocation and he died on 16.02.2006 in the course of employment. The petitioner filed a claim petition in W.C.No.213 of 2006 on the file of the Deputy Commissioner of Labour, Labour Court, Namakkal, Namakkal District against the owner and the Insurance Company where the vehicle got



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insured. On 30.11.2009, an Award was passed to a total compensation of Rs.3,71,347/- directing the United India Insurance Company Limited, No.2, Dr.Sankaran Road, Namakkal District to pay the compensation within a period of 30 days. In compliance of the order passed in W.C.No.213 of 2006 on the file of the Deputy Commissioner of Labour, Labour Court, Namakkal, Namakkal District, the United India Insurance Company Limited, deposited Rs.3,71,347/- before the Indian Bank, Guhai, Salem in Account No.675400898, via D.D.No.595017, dated 21.01.2010 drawn at Indus Ind Bank, Namakkal Branch.

(iii) As the deposited amount was not disbursed to the petitioner in time, the petitioner earlier approached the Public Information Officer, Deputy Commissioner, Labour Welfare Office, Salem about the status of the deposit. To the shock and surprise of the petitioner, it was informed that the deposited amount could not be disbursed to the petitioner, since one Soundarapandian had embezzled the amount. Due to extraordinary delay, the petitioner had been deprived of her right to get the compensation.

(iv) The petitioner approached this Court by filing a Writ Petition in W.P.No.18689 of 2014 and this Court, by order dated 17.07.2014, directed

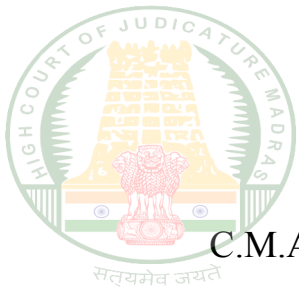


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the petitioner to approach the first respondent by way of a representation seeking for disbursement of the Award amount.

(v) The petitioner had sent a representation to the first respondent on 13.10.2014, requesting the first respondent to disburse the said amount with interest and the first respondent, by order dated 22.06.2015, did not honour the Award amount by stating that his amount will only be settled when the embezzled amount is recovered from Sundarapandian.

(vi) In the meanwhile, 9 other claimants in similar Workmen's Compensation cases in W.C.No.113 of 2008 on the file of the Deputy Commissioner of Labour, Salem against the order dated 15.09.2009 (in C.M.A.No.211 of 2015), W.C.No.288 of 2008 on the file of the Deputy Commissioner of Labour, Salem against the order dated 30.04.2010 (in C.M.A.No.274 of 2015), W.C.No.59 of 2008 on the file of the Deputy Commissioner of Labour, Salem against the order dated 30.04.2010 (in C.M.A.No.276 of 2015), W.C.No.395 of 2007 on the file of the Deputy Commissioner of Labour, Salem against the order dated 15.09.2009 (in C.M.A.No.488 of 2015), W.C.No.522 of 2007 on the file of the Deputy Commissioner of Labour, Salem against the order dated 20.05.2010 (in



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C.M.A.No.489 of 2015), W.C.No.60 of 2008 on the file of the Deputy

Commissioner of Labour, Salem against the order dated 15.09.2009 (in

C.M.A.No.492 of 2015), W.C.No.412 of 2008 on the file of the Deputy

Commissioner of Labour, Salem against the order dated 15.09.2009 (in

C.M.A.No.493 of 2015), W.C.No.111 of 2008 on the file of the Deputy

Commissioner of Labour, Salem against the order dated 26.02.2010 (in

C.M.A.No.635 of 2015), W.C.No.68 of 2008 on the file of the Deputy

Commissioner of Labour, Salem against the order dated 30.11.2009 (in

C.M.A.No.748 of 2015) had approached this Court and this Court had

passed the order observing that the eighth respondent (the third respondent

herein) is directed to sanction appropriate funds for paying the Award

amount in favour of the claimants. Therefore, the fifth respondent (first

respondent herein) who is present before this Court is directed to give the

details of the Award amounts to the newly impleaded Secretary to

Government, Labour and Employment Department, Chennai-9, the third

respondent herein on or before 13.07.2015. The newly impleaded Secretary

to Government, Labour and Employment Department, Chennai-9, the third

respondent herein shall take appropriate steps to make available funds as per



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the request made by the fifth respondent, the first respondent herein, on or before 26.07.2015.

(vii) The petitioner's W.C.No.213 of 2006 on the file of the Deputy Commissioner of Labour, Labour Court, Namakkal, Namakkal District, is of the year 2006. Nearly, nine years had gone since the filing of the Workmen;s compensation case and the petitioner is running from pillar to post for getting the Award amount of the petitioner's late husband. Hence, the petitioner has filed the present Writ Petition in W.P.No.39571 of 2015.

4. The third respondent has filed the counter affidavit in W.P.No.39571 of 2015, stating as under:

(a) Consequent upon the orders passed in W.C.No.213 of 2006, the fifth respondent herein has deposited a sum of Rs.3,71,347/- on 25.01.2010 by way of Demand Draft No.595017, dated 21.01.2010 with the Court in compliance of the orders of the Deputy Commissioner of Labour, Salem.

(b) The then Deputy Commissioner of Labour, Salem has embezzled the amount by depositing the Demand Draft in an unauthorised account opened by him in the name of the Deputy Commissioner of Labour, Salem.

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The amount was not brought into the account of Workmen's compensation fund by the then Deputy Commissioner of Labour, Salem.

(c) It is true that the petitioner approached this Court by way of filing a Writ Petition in W.P.No.18689 of 2014 and orders were passed by this Court on 17.07.2014, directing the petitioner to approach the Deputy Commissioner of Labour, by way of representation seeking disbursement of the Award amount. The petitioner sent a representation to the first respondent on 13.10.2014 and requested to take action for disbursement of the compensation amount along with interest. As the amount received for the case was embezzled by the then Deputy Commissioner of Labour, Salem, no amount was available to disburse the compensation. Hence, the petitioner was informed on 22.06.2015 that the compensation amount would be settled as soon as the amount is recovered from Thiru.T.Soundarapandian.

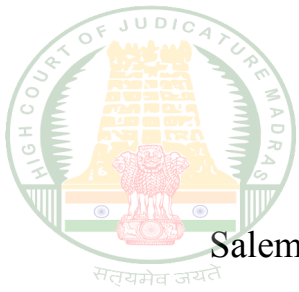
(d) 9 other claimants filed appeals in C.M.A.Nos.211, 274, 276, 488, 489, 492, 493, 635 and 748 of 2015 before this Court and by interim order dated 06.07.2015 in the said C.M.As., has directed the third respondent to take appropriate steps to make available funds for paying the Award amount in favour of the claimants. Consequent upon the orders of



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this Court, the Secretary to Government, Labour and Employment Department, Chennai (the third respondent herein), had directed the first respondent to settle the claims of 9 cases from the money available in the PD Account of the Deputy Commissioner of Labour, Salem. Accordingly, the claims were settled on 25.09.2015. Further, the fact of filing of claim in the year 2006 and more than nine years had lapsed since filing of this case and non compensation was settled to the claimants, are true.

(e) Further, no money is available in the Workmen's Compensation Fund to settle the claim of the petitioner, as the Award amount deposited by the Insurance Company, was embezzled by Mr.T.Soundarapandian, former Deputy Commissioner of Labour, Salem. Without any amount available for this case, the first respondent is not able to settle the claim of the petitioner and a criminal case had been filed against the said T.Soundarapandian, former Deputy Commissioner of Labour, Salem for misappropriating the funds and the case is under trial before the District Judicial Magistrate-3, Salem. This Court has also granted interim injunction, vide order dated 29.04.2016, in C.M.P.No.7502 of 2016 in C.M.A.No.211 of 2015 restraining the said T.Soundarapandian, former Deputy Commissioner of Labour,



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Salem, from alienating his property till the disposal of the C.M.A.No.211 of 2015. All possible steps have been taken to recover the embezzled amount from the said T.Soundarapandian and as soon as the said amount is recovered, the claim of the petitioner will be settled.

5. Heard both sides and perused the materials available on record.

6. The facts are not in dispute and the amounts due to be paid to the petitioners in both the Writ Petitions, are also not disputed.

7. Taking into consideration the facts of the case and the allegations and counter-allegations between the parties, it is appropriate that a time limit be fixed for disposal of the compensation amounts in both the Writ Petitions.

8. Accordingly, there shall be a direction to the first respondent- Deputy Commissioner of Labour, Labour Court, Namakkal to settle the respective Award amounts in W.C.Nos.213 of 2006 and 256 of 2007 (in both the present Writ Petitions), within a period of six weeks from the date of receipt of a copy of this order, if there is no legal impediment in the same and report compliance before this Court.

9. With the above direction, these Writ Petitions are disposed of. There shall be no order as to costs. Consequently, the Miscellaneous



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Petitions are closed.

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To

1. Deputy Commissioner of Labour,
Labour Court, Namakkal,
Namakkal District. (W.C.Nos.213 of 2006 and 256 of 2007)
2. The Joint Commissioner of Labour,m
D.M.S.Complex, Teynampet, Chennai-6.
3. The Secretary to Government,
Labour and Employment Department,
Chennai-9.
4. The United India Insurance Company Ltd.,
Rep. by its Divisional Manager,
No.2, Dr.Sankaran Road,
Namakkal TK & DT.
5. The New India Insurance Company Ltd.,
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