



Rev.Aplc.(MD) No.18 of 2025

BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

DATED : 04.07.2025

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THE HONOURABLE MR.JUSTICE SUNDER MOHAN

Rev.Aplc.(MD) No.18 of 2025
in CMP (MD) No.1704 of 2025

1. The Employees State Insurance Corporation (SRO)
4th Main Road, K.K.Nagar,
Madurai-20,
Rep. by its Director & Additional Commissioner.

2. The Recovery Officer,
The Employees State Insurance Corporation (SRO)
4th Main Road, K.K.Nagar,
Madurai-20. Petitioners

Vs.

M/s.Chellsons Packaging (P) Ltd.,
Rep. through its Managing Director ,
32/3, Velayutham Road,
Sivakasi Respondent/Complainant

Prayer: Review Application filed under Order XLVII Rule 1 and 2 r/w
Section 114 of Code of Civil Procedure, to review and modify the order
dated 10.09.2024 in CMA (MD) No.125 of 2022 in so far as reducing the
damages from April 2005 to March 2009.

For Petitioners : Mr.N.Dilipkumar (through VC)
Standing Counsel



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For Respondent : No Appearance

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ORDER

The review application seeks review of the order dated 10.09.2024 made in CMA (MD) No.125 of 2022, with regard to the calculation of 25% of the contribution being charges for the delayed payment of contribution of Rs.5,59,266/-.

2. Mr.N.Dilipkumar, learned standing counsel for the petitioners/ESI Corporation, would submit that the contribution was paid nearly five years after it became due. Regulation 31(C) of the Employees' State Insurance (General) Regulations, 1950 [hereinafter referred to as, '**Regulations**'] states that the compensation can be levied at 25% of the contribution, if the delay is more than six months. It also states that the rate of damages have to be computed per annum and the petitioners had accordingly calculated and had levied Rs.2,99,635/-. He would also admit that this calculation was inadvertently not brought to the notice of this Court when the matter was argued.



3. This Court is of the view that Mr.N.Dilipkumar, learned standing counsel for the petitioners/ESI Corporation, is right in his submissions. The rate of damages has to be calculated per annum.

4. It is also seen that the Regulations provide for maximum rate of damages that can be levied and in exceptional cases, the petitioners/ESI Corporation can waive totally or partially, the damages levied or leviable.

5. Therefore, this Court is of the view that interest of justice would be met if the damages is restricted to Rs.1,39,860/-. However, that would not be a precedent in other cases as it is done in the peculiar facts and circumstances of the case. As pointed out earlier, the petitioners were justified in calculating the rate of damages per annum.

6. With the above observations, the Review Application is closed. No Costs. Consequently, the connected Civil Miscellaneous Petition is also closed.

04.07.2025

Index : Yes/No



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Speaking Order/Non Speaking Order
Neutral Citation: Yes/No

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To

1. The Judge,
ESI Court (Labour Court),
Madurai.

2. The Section Officer,
VR Section,
Madurai Bench of Madras High Court,
Madurai.



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SUNDER MOHAN, J.

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