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BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

Reserved On : 28.10.2026

Delivered On: 10.11.2026

CORAM

THE HON'BLE DR. JUSTICE P. MURUGAN

C.M.A.(MD) No. 619 of 2023

CNR:{HCMD010784962022}

and

C.M.P.(MD) No. 7861 of 2023

The Branch Manager,
Star Health and Allied Insurance Co. Ltd,
No.1290/1, First Floor,
Periyakulam Road,
Theni 625 531. ... Appellant /2nd Respondent

Vs.

1. N. Pitchaimani,
   S/o Natarajan,
   No.29, Mahatma Gandhi Street,
   Vadakarai,
   Periyakulam,
   Theni District 625 601. … 1st Respondent/ Claimant

2. The Proprietor,
   Gurukrishna Textiles Mills (P) Ltd,
   No.207B, Annanchi By pass road,
   OOnchampatti Village,
   Theni District 625 531. … 2nd Respondent /1st Respondent

PRAYER: Civil Miscellaneous Appeal is filed under Section 30 of Employee's Compensation Act, to *set aside* the award dated 24.05.2022 passed in E.C.No.84 of 2019 on the file of the

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Commissioner of Labour for Employee's Compensation, Dindigul by allowing the civil miscellaneous appeal.

For Appellant : Mr.K.Ravi

For Respondents : Ms.S.Mamtha for R2

: No appearance for R1

J U D G M E N T

The Insurance Company, who is the second respondent in E.C.No.84 of 2019 on the file of the Commissioner of Labour for Employee's Compensation, Dindigul, is the appellant before this Court, challenging the order dated 24.05.2022, wherein the claim petition filed by the first respondent herein was partly allowed, directing the appellant to pay a sum of Rs.3,00,000/- (Rupees Three Lakhs only) together with interest at the rate of 12% per annum from the date of accident till the date of realisation.

2. Brief facts before the Employee’s Compensation Commissioner as per the claim petition filed by the legal heir of the deceased Kumuthavalli is as that:

The first respondent’s mother Kumuthavalli while working at the second respondent’s Textiles Mill as helper by way of loading

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the cotton on 16.11.2016 at 11.00 pm, due to heavy work and stress, she sustained blood pressure and fainted. Immediately, she was taken to private hospital, viz., N.R.T. Hospital at Theni, where first aid given and for further treatment she was referred to Government Medical College Hospital, Theni. On examining the said Kumuthavalli, the duty Doctor referred that she was brought dead. The first respondent is the legal heir of the deceased Kumuthavalli. The deceased was aged about 51 years at the time of employment and she was earning Rs.300/- per day, amounting to a total monthly income of Rs.9,000/-. In this regard, a case in Crime No.500 of 2016 on the file of Allinagaram Police Station was registered. The deceased Kumuthavalli died during the course of employment at the second respondent's Textile Mill and the second respondent has taken insurance policy, thereby, the first respondent claimed a sum of Rs.10,00,000/- (Rupees Ten Lakhs only) as compensation with interest at the rate of12% per annum.

3. Brief counter of the Mill owner, who is the second respondent, in this appeal is as that:

The allegations that Kumuthavalli died during the course of employment is denied, wherein, when she was taken to hospital and

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during the transport, she died. Therefore, the second respondent is not liable. The salary of Rs.300/- per day is denied, wherein, she was engaged as casual labour and paid Rs.160/-. She is not in regular employment and she sustained blood pressure and the death is not during the course of employment. The second respondent taken insurance policy from the appellant. Thereby, if any award is passed, the appellant / insurance company is liable to pay compensation to the first respondent / claimant.

4. The insurance company, who is the appellant herein, filed counter before the Employee's Compensation Commissioner, denying the accident and the relationship of employer and employee and it is the duty of the claimant to prove the same. Though the second respondent has taken Tailor made group personal accident insurance policy from 22.09.2016 to 21.09.2017 and if any of the workmen died during the course of employment by accident or permanent disability out of the said accident or partial disability out of the accident makes liability for workman is Rs.3,00,000/-. As per the policy and the case facts, the deceased Kumuthavalli died during the course of employment and she was already sustained blood pressure, stress, etc. Therefore, her death is normal one. Therefore,

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the Insurance Company is not liable to pay policy amount. Even the death of Kumuthavalli was registered as suspicious death under section 174 of Cr.P.C, therefore, the claim is to be rejected.

5. After taking note of the case fact and after examining claimant as P.W.1, Staff of the Textile Mill, viz., Rajkumar examined as R.W.1 and the staff of the insurance company, viz. Jerold Arokiaraj, examined as R.W.2 and after exhibiting certain documents as Ex.P1 to Ex.P8 and Ex.R1, the Employee's Commissioner, Dindigul, had come to a conlcusion that the death of Kumuthavalli was happened during the course of employment with the Mill owner and having the Mill owner availed insurance for 1800 workmen with the insurance company subject to maximum policy amount of Rs.3,00,000/- (Rupees Three Lakhs only), to each workmen thereby, the Commissioner determined the total compensation of Rs.5,32,800/- (Rupees Five Lakhs Thirty Two Thousand and Eight Hundred only) and out of the amount, the insurance company was directed to pay Rs.3,00,000/- (Rupees Three Lakhs only), together with interest at the rate of 12% per annum and the Mill owner was directed to pay Rs.2,32,800/- (Rupees Two Lakhs Thirty Two Thousand and Eight Hundred only) together with

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interest at the rate of 12% per annum from the date of accident till the date of realisation.

6. The authority, who passed the impugned order, determined the age of the deceased was 56 years and daily income was considered as Rs.300/- per day, wherein, the mill owner claimed that he paid Rs.160/- per day, but there is no proof at all. After taking into consideration, the award of Rs.5,32,800/- (Rupees Five Lakhs Thirty Two Thousand and Eight Hundred only) was passed. Against the said award / order, the insurance company, filed this Civil Miscellaneous Appeal. There is no appeal filed by the Mill owner.

7. The appeal was admitted by this Court, by an order dated 07.07.2023, framed the following substantial questions of law:

> I. Whether the Commissioner of Labour is right in holding that the appellant is liable under the Group Personal Accident Policy to pay the Employee's Compensation Act liability of the second respondent, when the death of the deceased is not due to the accident as defined in the policy of contract?

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II. Whether the Commissioner is right in holding that the appellant is liable to pay interest @ 12% from the date of accident, when the appellant is impleaded from 08.01.2020 only?

8. The contention of the insurance company before this Court is as that as per the policy in Ex.P8, that the mill owner taken insurance policy is Tailor made group personal accident insurance policy for 1800 workmen for the period from 22.09.2016 to 21.09.2017 subject to maximum Rs.3,00,000/- (Rupees Three Lakhs only) as compensation, in the case of death or permanent disablement or partial permanent disablement. As per the policy Ex.P8, the accident means a sudden, unforeseen and involuntary even caused by external visible and violent means. Referring the meaning of accident, it is contended by the insurance company that there is no external injury to the deceased Kumuthavalli. Though she was working at the mill, she fainted, as per the facts reveal that already she suffered with blood pressure, stress etc. Therefore, the deceased suddenly fainted and taken to the hospital is not coming under the accident.

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9. The same stand was taken before the Commissioner and the Commissioner considered the Hon'ble Supreme Court decision in the case of ***Param Pal Singh* v. *National Insurance Company Ltd.***, (2013 (1) TNMAC 1 (SC), wherein it was held that by taking note of section 3(1) of the Employee's Compensation Act, 1923, the scope of accident of untoward and unexpected, mishap, if could be construed to be falling within definition of accident. Thereby the fact was casual connection to the death of the deceased with that of employment as a truck driver, where the deceased aged about 45 years, a heavy vehicle driver, after long distance driving parked vehicle and fainted, unexpected death as a result of heart failure due to stress and strain due to long distance driving. Constant driving of heavy vehicle, a material contributory factor though not sole cause that accelerated unexpected death. Such untoward mishap can be described as and accident solely attributable to nature of employment. Finding of Commissioner that death was in accident arising out of and in course of his employment, held justified.

10. Here the facts of the case that Kumuthavalli was working at the mill as the cotton load-woman, due to heavy work

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and pressure she sustained stress and blood pressure, thereby she feinted and having taken to the hospital, the Doctor reported brought dead, thereby, cited the case facts also similar to the present case facts. Therefore, the workman died during the employment, out of work pressure or heavy work and it comes under section 3(1) of the Employee's Compensation Act, thereby, the contention of the insurance company that the accident was not happened that there is an external injury cannot be a ground to reject. Though Ex.P8 says that the internal organ failure was due to the accident, resulting in loss of earning capacity.

11. It is not in dispute that there is insurance coverage from 22.09.2016 to 21.09.2016 and the occurrence was taken place on 16.11.2016. Therefore, his insurance coverage was restricted to a liability of Rs.3,00,000/- (Rupees Three Lakhs only), which is not disputed. Having the Commissioner determined the qualified compensation and the quantum is also not in dispute.

12. The Insurance Company has contended that awarding interest 12% is not permissible cannot be a good ground, wherein as per Section 4A(3) of the Employees' Compensation Act, the minimum simple interest prescribed is 12% per annum or such

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higher rate as may be applicable, depending on the prevailing rate of interest charged by the Scheduled Banks, whichever is higher. In the present case, the simple interest prescribed under the enactment is 12% per annum. Therefore, the Commissioner has no power to reduce the same. Therefore, the interest remains intact.

13. In view of the above, this Court answered both the substantial questions of law against the Insurance Company / appellant. Consequently, the appeal is liable to be dismissed and is accordingly dismissed.

14. In the result:

(I) this Civil Miscellaneous Appeal is dismissed;

(ii) the impugned order passed in E.C.No.84 of 2019 on the file of the Commissioner of Labour for Employee's Compensation, Dindigul, is hereby confirmed; and

(ii) There shall be no order as to costs. Consequently, connected Miscellaneous Petition is closed.

10.11.2026

Index: Yes/No
Speaking/Non-speaking order
Neutral Citation: Yes/No
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To

The Commissioner of Labour for Employee's Compensation,
Dindigul.

Copy To :

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

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DR. P. MURUGAN J.
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Pre-delivery Judgment made in C.M.A.(MD) No. 619 of 2023

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