

IN THE SUPREME COURT OF INDIA

CIVIL APPELLATE JURISDICTION

CIVIL APPEAL NO(S) 1583 OF 2019  
[ARISING OUT OF SPECIAL LEAVE PETITION (CIVIL)  
NO.14166 OF 2015]

EMPLOYEES STATE INSURANCE  
CORPORATION . . . APPELLANT(S)

VERSUS

M/S EMPEE INTERNATIONAL HOTELS  
& RESORTS LTD. . . . RESPONDENT(S)

WITH  
CIVIL APPEAL NO(S) 1584 OF 2019  
[ARISING OUT OF SPECIAL LEAVE PETITION (CIVIL)  
NO.9625 OF 2016]  
[M/S EMPEE INTERNATIONAL HOTELS  
& RESORTS LTD. VS. EMPLOYEES STATE INSURANCE  
CORPORATION]

ORDER

1. Leave granted.
2. We have heard the learned counsels for the parties and have considered the matter.
3. The notice of recovery issued to the respondent - M/s Empee International Hotels & Resorts Ltd. under Section 45-C to 45-I of the Employees State Insurance Act, 1948 (for short "ESI Act") clearly sets out the periods of default and the amount that is recoverable along with the rate

of interest for different periods of time.

4. The order dated 20<sup>th</sup> May, 2002 under Section 45-A of the ESI Act passed by the Deputy Director for the period 1996-1997 to 1998-1999 (challenged before the High Court) quantified the payable contribution at Rs.7,08,439/- along with interest at the rate of 15% per annum.

5. The High court by the impugned order had held the respondent (M/s Empee international Hotels & Resorts Ltd.) liable to pay a sum of Rs.6,84,792/- with simple interest at 6% per annum from 21<sup>st</sup> June, 2002 till 12<sup>th</sup> June, 2013.

6. It is the rate of interest as applicable and payable in the aforesaid period alone which is required to be considered by this Court.

7. Clearly and evidently, the statutory rate of interest during the aforesaid period was higher than 6% and the details of the rate of interest have been mentioned in paragraph 3 of the Notice dated 10<sup>th</sup> June, 2013.

8. Ex facie, the award of interest by the High Court at the rate of 6% per annum for the period from 21<sup>st</sup> June, 2002 till 12<sup>th</sup> June, 2013 does not appear to be correct. What would be the rate of interest applicable on the amount due subject to such adjustments of payments that the respondent - unit had made, are matters that would require reconsideration in the hands of the ESI Court.

9. We, therefore, remit the matter to the ESI Court for fresh order in the light of the directions as above. The order of the High Court, consequently, is set aside. The appeals are allowed to the said extent.

.....,CJI.  
(RANJAN GOGOI)

.....,J.  
(SANJIV KHANNA)

NEW DELHI  
FEBRUARY 11, 2019

ITEM NO.45

COURT NO.1

SECTION IX

S U P R E M E C O U R T O F I N D I A  
RECORD OF PROCEEDINGS

PETITION(S) FOR SPECIAL LEAVE TO APPEAL (C) NO(S). 7442-7443/2014  
(ARISING OUT OF IMPUGNED FINAL JUDGMENT AND ORDER DATED 26/09/2011  
IN FA NO. 1774/2011 AND DATED 07/09/2012 IN RP NO. 204/2012 IN FA  
NO. 1774/2011 PASSED BY THE HIGH COURT OF BOMBAY)

THE REGIONAL DIRECTOR  
EMPLOYEES STATE INSURANCE CORPORATION & ANR. PETITIONER(S)

VERSUS

M/S KANSAI NEROLAC PAINTS LTD.& ANR. RESPONDENT(S)  
WITH  
SLP(C) NO. 14166/2015

SLP(C) NO. 9625/2016

Date : 11-02-2019 These petitions were called on for hearing today.

CORAM :

HON'BLE THE CHIEF JUSTICE  
HON'BLE MR. JUSTICE SANJIV KHANNA

For Petitioner(s)  
SLP(C) 7442-43/14 &  
14166/15

Mr. Mahesh Srivastava, Adv.  
Mr. Vaibhav Manu Srivastava, Adv.  
Mr. P. N. Puri, AOR.

SLP(C) 9625/16 & rr in  
SLP(C) 14166/15

Mr. V. Krishnamurthy, Sr. Adv.  
Mr. T. Harish Kumar, AOR.

For Respondent(s)  
SLP© 7442-43/14

Mr. R.N. Shah, Adv.  
Mr. Nitin S. Tambwekar, Adv.  
Mr. Seshatalpa Sai Bandaru, AOR

SLP© 9625/16

Mr. Mahesh Srivastava, Adv.  
Mr. Vaibhav Manu Srivastava, AOR

UPON hearing the counsel the Court made the following  
O R D E R

SLP(C) NOS. 7442-7443 OF 2014

Heard the learned counsel for the parties and  
perused the relevant material.

We are not inclined to interfere. The Special Leave  
Petitions are accordingly dismissed.

SLP(C) NO. 14166 OF 2015 & SLP(C) NO.9625 OF 2016

Leave granted.

The appeals are allowed in terms of the signed  
order.

[VINOD LAKHINA]

AR-cum-PS

[ANAND PRAKASH]

BRANCH OFFICER

[SIGNED ORDER IS PLACED ON THE FILE]