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CMA No. 2099 of 2



IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 23-07-2026

CORAM

THE HON'BLE MR JUSTICE N. ANAND VENKATESH

CMA No. 2099 of 2023

AND

CMP No. 20551 of 2023

M/s.United India Insurance Company Limited,
No.48, Arcot Road, Saligramam,
Chennai 600 093.

..Appellant(s)

Vs

1. Divya
W/o. Late. S. Raguraman,
2. Minor. R. Hemanth
S/o. Late. S. Raguraman
3. Minor. R. Prithivi Sai
S/o. Late. S. Raguraman
4. Minor. R. Divinesh Sai
S/o. Late. S. Raguraman,
(Minors 2 to 4 rep. by first respondent/Mother
Divya)
5. S. Savithiri
W/o. T. Sugumaran
6. Sugumaran
Late. Thopalan,
Respondents 1 to 6 residing at No.229,
Pallatheru, Vadugapattu Village, M.K. Poondi
Post, Cheyyar Taluk - 604 407.
7. M/s. Raymix Concrete India Pvt Ltd.,
No.178, Vallakottai Village, Sriperumbudur Tk,
Kancheepuram Dt.

..Respondent(s)



PRAYER: Civil Miscellaneous Appeal filed under Section 30 of the Employees Compensation Act, 1923, seeking to set aside the Final Award dated 26th September, 2022, passed in E.C.No. 83 of 2020, by the Commissioner for Employees Compensation (Joint Commissioner of Labour-II), at Chennai-6.

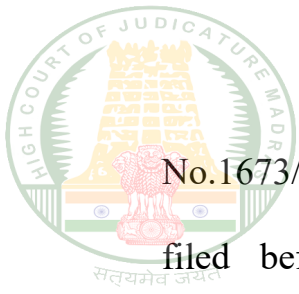
For Appellant(s): Mr.J.Michael Visuvasam

For Respondent(s): Mrs.M.NAGALAKSHMI For R1 to R6
R7 - Signed – No appearance

JUDGMENT

This appeal has been filed by the Insurance Company against the order passed by the Joint Commissioner of Labour – II, Chennai in E.C.No.83 of 2020, dated 26.09.2022.

2. The first respondent is the wife, respondents 2 to 4 are the children, and respondents 5 and 6 are the parents of the deceased Raghuraman. The deceased Raghuraman was working as a driver in the seventh respondent Company. On 06.09.2020, the deceased had driven a Ray Mix lorry with concrete load and after offloading the same, he was returning back, and he parked the vehicle at the entrance of the sub-station at about 12.45 p.m., and was inspecting whether the entire concrete had been offloaded. Unfortunately, an electric wire got snapped and fell on the head of the deceased Raghuraman and he sustained fatal injuries and he was declared as “brought dead” by the doctor at the Government Hospital at Sriperumbudhur. An FIR came to be registered in Crime



No.1673/2020. It is under these circumstances, the claim petition came to be filed before the Joint Commissioner of Labour under the Employees Compensation Act, seeking for payment of compensation.

3. The Authority, on considering the facts and circumstances of the case and on appreciation of oral and documentary evidence, came to the conclusion that there was an employer – employee relationship between the seventh respondent herein and the deceased, and that the accident had taken place in the course of employment and therefore, the compensation is payable by the employer. Having rendered such a finding, and since the employer was covered by the insurance policy issued by the appellant herein, the Authority had fixed the liability on the Insurance Company to pay the compensation amount to the claimants. The Authority determined the total compensation payable at Rs.15,49,625/- along with interest at the rate of 12% per annum. Aggrieved by the same, the Insurance Company has approached this Court by filing this appeal under Section 30 of the Employees Compensation Act, 1923.

4. When the matter came up for hearing on 03.07.2026, this Court framed the following substantial question of law.

“(a) Whether on the date of accident viz., 06.09.2020, when there was no subsisting policy, the Joint Commissioner of Labour was right in placing reliance upon Government Orders issued by



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the Government of Tamil Nadu extending the period of validity of motor vehicle documents during the COVID-19 Pandemic, in terms of the notification issued by the Ministry of Road Transport and Highways, Government of India, without there being any specific notification issued by the Ministry of Finance extending the validity of the Insurance Policy beyond 15.05.2020?”

5. The seventh respondent has been served with notice and the name of the seventh respondent has also been printed in the cause list but there is no representation either in person or through any counsel.

6. Heard Mr.J.Michael Visuvasam, learned counsel appearing on behalf of the appellant and Mrs.M.Nagalakshmi, learned counsel appearing on behalf of the respondents 1 to 6.

7. This Court carefully considered the submissions made on either side and the materials available on record. This court also carefully went through the order passed by the Joint Commissioner of Labour.

8. The bone of contention raised on the side of the appellant is that the Joint Commissioner of Labour had misconstrued the extensions that were granted by the Ministry of Road Transport and Highways for Motor Vehicle documents during the COVID period, and had extended the said benefit to the Insurance Policy also, which is unsustainable.



9. Insofar as Insurance policies are concerned, the relevant Ministry is the Ministry of Finance, Government of India and as per the Notifications issued by the Ministry of Finance, extension was given for payment of premium only up to 15.05.2020 by amending the relevant provision under the Insurance Act, 1938, and admittedly, in this case, the accident had taken place on 06.09.2020, when there was no subsisting policy.

10. Per contra, the learned counsel for the claimants submitted that the Joint Commissioner of Labour was dealing with a Welfare Legislation and that the accident had taken place during the COVID period and hence, while interpreting the relevant notifications issued by the Ministry of Road Transport and Highways, an expansive interpretation was given by including the insurance policy also. If the same is taken into consideration, it will be clear that such extension was valid till 31.12.2021. In view of the same, it is contended that the order passed by the Joint Commissioner of Labour does not warrant interference of this Court.

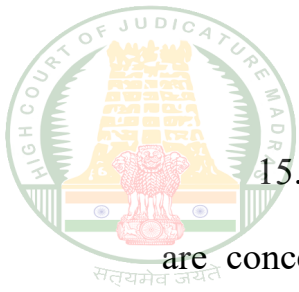
11. In the case in hand, Ex.R2 clearly establishes that the insurance policy was in subsistence from 02.09.2019 to 01.09.2020. Ex.R3 establishes that the policy once again covered the period from 14.09.2020 to 13.09.2021. The accident had taken place on 06.09.2020 and therefore admittedly, as on that date, there was no subsisting insurance policy.



12. Having rendered the above factual finding, it must be seen if the finding of the Joint Commissioner of Labour, after taking into account the various Government Orders passed by the Ministry of Road Transport and Highways which gave extension up to 31.12.2021, will also cover insurance policies.

13. Insofar as Insurance Policies are concerned, they are governed by the provisions of the Insurance Act, 1938 and the Insurance Rules, 1939. They directly come within the purview of the Ministry of Finance. This Court had an opportunity to look into the Notification that was issued by the Ministry of Finance, dated 01.04.2020. By virtue of this Notification, an amendment was made to the Rules, wherein certain Clauses were inserted in Rule 59 after Clause 'N'. Clause 'O' was added, and it stated that due to the COVID-19 lock down, the risk may be assured by the Insurance Company, subject to the condition that the premium shall be paid within such time as may be specified by the Central Government by Notification in this behalf. Pursuant to the same, Notification in S.O.1237(E) was issued on 01.04.2020, wherein all those policies which fell due for renewal for the period from 25.03.2020 to 14.04.2020 were directed to continue by making payment for renewal of the policy on or before 21.04.2020.

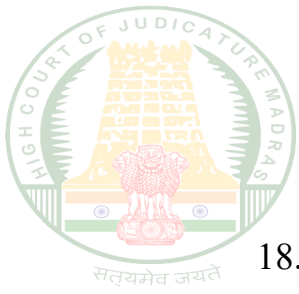
14. Yet another Notification was issued in S.O.1258(E) dated 15.04.2020, where this extension was given up to 15.05.2020.



15. It is clear from the above Notifications that insofar insurance policies are concerned, it was only the Ministry of Finance which was issuing the notifications since insurance policies are governed under the Insurance Act and the Rules thereunder.

16. The Joint Commissioner of Labour had taken into consideration the Notifications that were issued by the Ministry of Road Transport and Highways, Government of India, and had given an expansive meaning to the words “or any other concerned documents”. Those words found in those notifications must be read *ejusdem generis* and the documents referred therein will only pertain to motor vehicle documents and it cannot include an insurance policy, which does not even fall within the purview of the Ministry of Road Transport and Highways.

17. It is true that the Employees Compensation Act is a Welfare Legislation and a Court should not take a pedantic view and deny the payment of compensation to the claimants. However, the Court cannot go beyond the provisions of law and grant reliefs just because the case involves some hard facts. The famous adage is redolent in my mind which reads “Hard facts makes bad law”.



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18. If this Court passes any order considering the grievance that has been expressed by the claimants and allow the claim, such order would become a precedent and for similar claims, the same order would have to be applied, which would result in injustice to the Insurance Companies. Therefore, even though it is an unfortunate case where the victims will not get the compensation amount paid by the Insurance Company, this Court will ensure that the compensation will be paid along with interest by the seventh respondent, who is the employer of the deceased.

19. In the light of the above discussion, the substantial question of the law framed by this Court is answered to the effect that the Joint Commissioner of Labour was not right in placing reliance upon Government Orders issued by the Ministry of Road Transport and Highways and on the date of accident there was no subsisting policy and hence the appellant - Insurance Company is not liable to pay the compensation amount to respondents 1 to 6.

20. In the light of the above discussion, the finding rendered by the Joint Commissioner of Labour, fixing the liability on the Insurance Company to pay the compensation to the respondents 1 to 6 herein is hereby set aside. There shall be a direction to the seventh respondent herein to deposit the entire compensation amount along with interest as directed by the Joint Commissioner of Labour



within a period of eight (8) weeks from the date of receipt of a copy of this judgment.

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21. In the result, this Civil Miscellaneous Appeal is allowed. The amount that has been deposited by the appellant - Insurance Company shall be permitted to be withdrawn along with accrued interest. No cost. Consequently, the connected miscellaneous petition stands closed.

22. Post this case under the caption “for reporting compliance” on 05.10.2026.

23-07-2026

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

SSI

To:

1. The Joint Commissioner of Labour-II,
The Commissioner for Employees Compensation,
Chennai-6.

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



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N.ANAND VENKATESH J.

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