



C.M.A.No.4 of 2024

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 02.07.2026

CORAM:

THE HON'BLE MR. JUSTICE N. ANAND VENKATESH

C.M.A.No.4 of 2024
and C.M.P.No.35 of 2024

United India Insurance Company Ltd.,
Divisional Office, Karamadai, Branch No.139,
Kumaran Road, Tirupur – 641 601.

... Appellant

Vs.

1. Kalimuthu
2. Kalamani
(R2 Died. Memo recorded vide order
of Court dated 30.06.2026 made in
Memo SR.No.15396 dt.22.04.2026)
3. The Executive Officer,
Karamadai Town Panchayat,
Karamadai, Mettupalayam.

... Respondents

PRAYER: Civil Miscellaneous Appeal is filed under Section 173 of the Motor Vehicles Act, 1988, to set aside the decree and judgment passed in MCOP No.1612 of 2015 on 22.09.2017, on the file of the Motor Accidents Claims Tribunal (II Additional District Court), Tirupur District.

For Appellant : Mr.J.Chandran

For Respondents : Mr.MA.P.Thangavel for R1



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JUDGMENT

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This Civil Miscellaneous Appeal has been filed by the appellant/Insurance company challenging the award passed by the learned II Additional District Judge, Motor Accidents Claims Tribunal, Tirupur District, in MCOP No.1612 of 2015 dated 22.09.2017.

2. The first and second respondents/claimants are the parents of the deceased, Ranjithkumar. The case of the claimants is that on 24.09.2014, the deceased and four others were travelling in the tractor and trailer belonging to the third respondent. In the regular course of their employment, they were in the process of collecting garbage and at about 07.45 hours, when the vehicle was in front of the Ranganathar temple, it was driven by its driver in a rash and negligent manner, as a result of which the deceased fell down and sustained grievous injuries all over his body. In spite of the best efforts, the deceased succumbed to the injuries. Based on the same, a First Information Report came to be registered in Crime No.332 of 2015 against the driver of the tractor. It is under these circumstances, the claim petition came to be filed before the Tribunal.

3. The appellants/Insurance Company took a stand that they are not liable to indemnify the third respondent herein, since the driver of the



tractor and trailer had permitted more than seven persons to travel in the vehicle contrary to the policy conditions, resulting in the accident.

Accordingly, the appellant/Insurance Company sought the dismissal of the claim petition.

4. The Tribunal, on considering the facts and circumstances of the case and on appreciation of oral and documentary evidence, came to a conclusion that the accident had taken place only due to the rash and negligent driving on the part of the driver of the tractor. Having rendered the above finding, the Tribunal proceeded to fix the compensation at Rs.17,55,000/- under various heads as follows:

<i>Sl.No.</i>	<i>Heads</i>	<i>Compensation awarded by the Tribunal (in Rs.)</i>
1.	Loss of Dependency	16,20,000
2.	Loss of Love and Affection	1,00,000
3.	Transport expenses	10,000
4.	Funeral expenses	25,000
Total		17,55,000

The above compensation was directed to be paid together with interest at the rate of 7.5% per annum.



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5. The Tribunal found that the tractor was driven by a person without a valid driving license, which was in violation of the policy conditions and therefore, the tribunal proceeded to apply the principle of pay and recover.

6. Aggrieved by the above award passed by the Tribunal, the appellant/ Insurance Company has filed the present appeal before this Court.

7. Heard Mr.J.Chandran, learned counsel for the appellant/Insurance Company and Mr.MA.P.Thangavel, learned counsel for the first respondent/claimant.

8. The main ground urged on the side of the appellant/Insurance Company is that the deceased and others had travelled on a wooden plank placed in between the tractor and trailer and the deceased due to his own negligence, fell down and the trailer ran over him. In the case in hand, the deceased and the other passengers were not covered under the policy and therefore, they can only be considered as gratuitous passengers. Hence, the appellant/Insurance Company is not liable to pay compensation.



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9. Per contra, the learned counsel for the first respondent/claimant, by relying upon Ex. R3, submitted that the policy in question is a Miscellaneous and Special Type of Vehicles Package Policy, which covers employees and the premium was also paid and therefore, the appellant/Insurance Company cannot shun their responsibility in paying the compensation to the claimant and recovering the same from the owner of the vehicle. He further submitted that the deceased was employed in the third respondent, Karamadai Town Panchayat and he was in the process of collecting garbage and was travelling in the vehicle and therefore, the policy covered such an employee. Accordingly, the learned counsel sought the dismissal of the appeal.

10. This Court has carefully considered the submissions made on either side and perused the materials on record. This Court also carefully went through the award passed by the Tribunal.

11. The Tribunal, while dealing with this issue, came to the conclusion that the deceased was travelling in the tractor and trailer in his capacity as an employee of the Karamadai Town Panchayat/third respondent and the only deficiency that was recorded by the Tribunal was the fact that the driver of the vehicle did not possess a valid driving license.



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12. The learned counsel for the appellant/Insurance Company submitted that the deceased should be treated as a gratuitous passenger and since no premium has been paid to cover a person travelling in that manner in the tractor and trailer, the appellant/Insurance Company cannot be held responsible. To substantiate his submission, the learned counsel relied upon the judgement of Hon'ble Apex Court in *Sri Ranga Naik vs. United India Insurance Co. Ltd. & others* [2026 1 TNMAC 648].

13. Considering the above submission, it has to be seen whether the deceased was travelling as a gratuitous passenger. The specific case of the first respondent/claimant is that the deceased was employed by the third respondent at Karamadai Town Panchayat and was travelling in the tractor and trailer along with six others for the purpose of collecting garbage. In this process, the deceased can only be treated as an employee travelling in the vehicle, where the goods in question is the garbage which was collected from various places and offloaded at a designated place. By no stretch, the deceased can be treated as a gratuitous passenger. Considering the nature of the policy involved, it is seen that it also covers employees. In the case in hand, useful reference can be made to the judgement of this Court in *National Insurance Co. Ltd., and Another vs. Poongavanam and Others*



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[2011 (2) TN MAC 361], which was a case where coolies were travelling in a goods vehicle to carry out the work of their employer and this Court treated them as the employees of the owner of the vehicle and held that the Insurance Company is bound to compensate as there is coverage for employees under the policy.

14. In view of the same, considering the material available before this Court, the deceased travelling in the vehicle should be construed as someone who was travelling along with the goods in his capacity as an employee of the third respondent herein. The policy did cover the employee. Since the policy covered the employee, the appellant/Insurance Company is bound to pay the compensation. Accordingly, the finding rendered by the Tribunal in this regard is valid.

15. Insofar as the compensation amount is concerned, the same is reasonable, just and fair and it does not require the interference of this Court. Of course, it goes without saying that the Tribunal has already applied the principle of pay and recover and the same is sustained.



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16. It is brought to the notice of this Court that the entire award has been deposited pursuant to the interim order passed by this Court on 09.01.2024. In view of the same, the interest portion of the award amount, as directed by the Tribunal, shall be deposited within a period of four (4) weeks from the date of receipt of a copy of this judgement. On such deposit, the claimant is entitled to withdraw the same on due application. The directions issued by the Tribunal with regard to the mode of payment of compensation remains unaltered.

17. In the result, this Civil Miscellaneous Appeal is dismissed. No costs. Consequently, connected miscellaneous petition is closed.

02.07.2026

Neutral Citation: Yes/No
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To

1. The II Additional District Judge,
Motor Accidents Claims Tribunal,
Tirupur District.
2. The Section Officer,
VR Section,
High Court of Madras.

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N. ANAND VENKATESH, J.

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and C.M.P.No.35 of 2024***

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