



C.M.A.(MD)No.1312 of 2010

BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

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Reserved on : 21.07.2026

Delivered on : 07.08.2026

CORAM:

THE HON'BLE MR.JUSTICE K.MURALI SHANKAR

C.M.A(MD)No.1312 of 2010

and

M.P(MD)No.1 of 2010

M/s.United India Insurance Company Ltd.,
through its Branch Manager,
11/2K.T.Complex,
New Scheme Road, Pollachi.

: Appellant

Vs.

1.Sivakami
2.Minor.Pandpriya
3.Minor.Sowndarya
4.Chinnammal
5.Arasu
6.P.Balakrishnan
7.M.Sathish Kumar

: Respondents

(Respondents 2 and 3 herein are represented by the
first respondent, who is their mother and natural guardian)

(Respondents 6 and 7 were Ex-parte before the
Lower Court)



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Prayer : This Civil Miscellaneous Appeal filed under Section 30 of the Workmen's Compensation Act 1923, against the award, dated 22.12.2005 made in W.C.No.201 of 2004 on the file of the Commissioner of Workmen's Compensation (Deputy Commissioner of Labours), Dindigul.

For Appellant : Mr.B.Rajesh Saravanan,

For Respondents : Ms.R.Affrin Fathima,
for M/s.Ajmal Associates, for R1 to R3.

: No Appearance , for R4 and R5.

: R6 and R7 dismissed vide Court
order, dated 09.10.2025.

JUDGMENT

The Civil Miscellaneous Appeal is directed against the award, dated 22.12.2005 made in W.C.No.201 of 2004 on the file of the Commissioner of Workmen's Compensation (Deputy Commissioner of Labours), Dindigul.

2. The appellant/Insurer, who was mulcted with liability to pay compensation of Rs.3,94,198/- to the respondents 1 to 5/ claimants for the



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death of one Kannan, consequent to an accident occurred on 09.03.2004 challenged the liability mulcted on it.

3. For the sake of convenience and brevity, the parties herein after will be referred as per their ranking/status before the Commissioner.

4. It is pertinent to note that the appellant/insurer has not disputed the accident and the involvement of the Ambassador car bearing Registration No. TN-31-6147 and the death of the car driver.

5. The defence of the insurer is that the first respondent was the registered owner of the Ambassador car at the relevant point of time, but the third respondent has taken insurance for the said vehicle with the second respondent/insurer; that there is no privity of contract between the first respondent and the insurer; that there existed no relationship of employer and employee between the third respondent and the deceased; that the first respondent owner allowed nine persons to travel in the car and thereby violated the policy conditions and that therefore, the second respondent/insurer is not liable for the claim.



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6. It is not in dispute that the first respondent has been shown as the registered owner of the Ambassador car bearing Registration No.TN-31-6147 and that the same was insured with the second respondent, but in the name of the third respondent. The learned Commissioner, by observing that the deceased Kannan was working as a driver in the Ambassador car owned by the first respondent and that since the said car was insured with the second respondent and the policy was in force at the relevant point of time, has held that the second respondent is liable for the claim.

7. In the memorandum of appeal also, the insurer has raised grounds contending that the claimants had failed to prove that the deceased was employed under the sixth respondent/first respondent, the owner of the car; that they had also failed to prove that the deceased Kannan died in an accident arising out of and in the course of his employment under the sixth respondent/first respondent and there was no employer and employee relationship between the deceased and the sixth respondent; that the first respondent had permitted more than nine persons to travel in the car, thereby violating the terms and conditions of the insurance policy as well



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as the permit conditions and that since there was no contract between the sixth respondent -owner and the insurer, the insurer cannot be made liable.

8. It is pertinent to note that the appeal in so far as the respondents 6 and 7/ respondents 1 and 3 before the Commissioner are concerned, came to be dismissed by this Court vide order, dated 09.10.2025. Admittedly, the appellant has not taken any steps to restore the appeal as against the respondents 6 and 7/respondents 1 and 3. In such circumstances, the grounds now sought to be urged by the appellant/insurer, insofar as they involve adjudication of the status and liability of the sixth respondent/employer and the rights and liabilities inter se between the respondents 6 and 7 and the appellant/insurer, cannot be gone into in the present appeal in their absence.

9. Moreover, the learned Commissioner, in the impugned order, has referred to the decision in ***Oriental Insurance Co. Ltd. Vs. Rabindra Sahoo***, reported in ***2000 LIC 2419***, wherein reference was made to the decision of the Hon'ble Supreme Court in ***G. Govindan Vs. New India Assurance Co. Ltd.***, reported in ***(1999) 3 SCC 754***. Relying upon the principles laid down therein, the learned Commissioner held that the



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liability of the Insurance Company would subsist irrespective of whether the policy in question had been transferred in the name of the subsequent purchaser; that the deceased was to be treated as a workman in respect of the vehicle in question; and that, there being a valid policy of insurance covering the vehicle, even assuming that there had been a change in its ownership, the Insurance Company would be liable to pay the compensation.

10. Considering the above, the impugned order, dated 22.12.2005 made in W.C.No.201 of 2004 on the file of the Commissioner of Workmen's Compensation (Deputy Commissioner of Labours), Dindigul, is perfectly in order and the same cannot be found fault with. Consequently, this Court concludes that the Civil Miscellaneous Appeal is devoid of merits and the same is liable to be dismissed. Considering the other facts and circumstances of the case, this Court further decides that the parties are to be directed to bear their own costs.

11. In the result, this Civil Miscellaneous Appeal is dismissed and the impugned award, dated 22.12.2005 made in W.C.No.201 of 2004 on the file of the Commissioner of Workmen's Compensation (Deputy



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Commissioner of Labours), Dindigul, is confirmed. Consequently, connected Miscellaneous Petition is closed. Parties are directed to bear their own costs.

07.08.2026

NCC :yes/No
Index :yes/No
Internet :yes/No
das

To

- 1.The Commissioner of Workmen's Compensation
(Deputy Commissioner of Labours), Dindigul.
- 2.The Section Officer,
VR Section,
Madurai Bench of Madras High Court,
Madurai.



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K.MURALI SHANKAR,J.

das

Pre-delivery order made in
C.M.A(MD)No.1312 of 2010
and
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Dated :07.08.2026