



**IN THE HIGH COURT OF PUNJAB AND HARYANA
AT CHANDIGARH**

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**FAO-1425-2025 (O&M)
Date of decision : 15.09.2025**

The New India Assurance Company Ltd. Appellant

versus

Chanchala Devi and another Respondents

CORAM : HON'BLE MR. JUSTICE PANKAJ JAIN

Present: Mr. Armaan Gagneja, Advocate
for the appellant (through V.C).

Mr. I.S. Konner, Advocate
for respondent No.1.

PANKAJ JAIN, J. (Oral)

1. Insurance company is in appeal against the order dated 05.08.2024 passed by the Commissioner under Employees Compensation Act, Hoshiarpur whereby the claim petition filed by respondent-claimants seeking compensation on account of death of Gurdeep Kumar @ Ajay in an accident arising out of and during the course of employment, stands allowed.

2. As per the claimants, the deceased Ajay was employed as a labourer for loading and unloading of goods with M/s. Arihant Box Factory on the vehicle bearing registration number PB-07-BS-6947. In the intervening night of 20/21th October, 2020, the vehicle met with an accident when a stray animal suddenly came in front of the vehicle. It resulted in death of Ajay @ Gurdeep Singh. The claimants accordingly sought compensation under the 1923 Act.



3. Claim petition was resisted by the employer claiming that the vehicle was fully insured and accordingly the liability, if any, to compensate the claimants was that of insurer and not of the employer.

4. Appellant-insurer resisted claim petition claiming violation of the insurance policy for want of R.C. and fitness certificate.

5. Commissioner allowed the claim petition filed by the claimants holding them entitled for compensation of Rs.16,60,275/- along with interest @ 12% per annum w.e.f. 21.10.2020 till the date of actual realization. Further sum of Rs.10,000/- was awarded towards funeral expenses.

6. Counsel for the insurance company has assailed the order passed by the Commissioner asserting that in the DDR lodged in relation to the accident, it is one Sachin Jain who is stated to be the employer qua the employees travelling in the vehicle that met with accident. Mr. Gagneja submits that employer is a proprietorship firm owned by Rakesh Kumar. Once DDR records the factum of the deceased along with other employees being employees of Sachin Jain, insurance company cannot be held liable to indemnify the liability of Sachin Jain.

7. *Per contra*, counsel for the claimants points out that even though M/s. Arihant Box Factory, i.e. employer is a proprietorship firm, Sanjay Jain is none else, but son of the proprietor Rakesh Kumar who was assisting his father in managing the affairs of firm. As per the contents of DDR, the employees were travelling in the vehicle which met with an accident while carrying out the business of the firm, i.e. M/s. Arihant Box Factory. Thus, they cannot be held to be employees of



Sachin Jain as at the time the vehicle met with the accident, they were working for their employer, i.e. M/s. Arihant Box Factory-the firm.

8. I have heard counsel for the parties and have carefully gone through the records of the case.

9. It is not disputed that deceased Gurdeep Kumar @ Ajay died of injuries suffered in an accident involving insured vehicle. He was traveling in relation to his employment. Ownership of the vehicle vested with M/s. Arihant Box Factory-the firm. The insurance policy is also in the name of M/s. Arihant Box Factory. It has come on record that Gurdeep Kumar @ Ajay was employed for loading and unloading goods on the vehicle owned by M/s. Arihant Box Factory. Once son of a proprietor, who aided his father in the business, orders an employee to carry out the work related to the business of the firm, employee cannot be expected to disobey him on the pretext that the diktat needs to come from the proprietor.

10. Overwhelming evidence is available on record to show that the deceased was employed on the vehicle owned by the firm insured by the appellant. There being no dispute with respect to the factum of death of the deceased in an accident while the vehicle was going to Sangrur for picking cartons, no exception can be taken to the pure finding of fact recorded by the Commissioner holding that the deceased died as an employee of M/s. Arihant Box Factory in an accident arising out of and during the course of employment.

11. Counsel for the appellant has not been able to point out any evidence which has remained unread or was misread by the Commissioner. The appeal is bereft of any substantial question of law,



which is *sine qua non* to entertain the appeal under Section 30 of 1923 Act.

12. Finding no merit in the present appeal, the same is ordered to be dismissed.

13. Since the main case has been decided, pending miscellaneous application, if any, shall also stands disposed off.

(PANKAJ JAIN)
JUDGE

15.09.2025
Dinesh

Whether speaking/reasoned :	Yes
Whether Reportable :	No