



WEB COPY

CMA No. 2974 of 2



IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 25-03-2026

CORAM

THE HON'BLE MR JUSTICE C.V. KARTHIKEYAN

AND

THE HON'BLE MR.JUSTICE K.RAJASEKAR

CMA No. 2974 of 2021

and

C.M.P.No.16951 of 2021

The Oriental Insurance Co. Ltd
J.N.Road, Opp. of IRN,
Thirumanamandabam,
Thiruvallur

..Appellant

Vs

1. Padmavathi
2. Minor Aswath
Rep. by mother and next friend R1
3. Pavatham
4. Narayanan

..Respondents

Civil Miscellaneous Appeal filed under Section 173 of the Motor Vehicles Act, 1988 seeking to set aside the decree and judgment dated 13.06.2018, made in MCOP No.42 of 2013, on the file of Motor Accident Claims Tribunal (Sub Court) Tambaram.

For Appellant:

Mr.Elveera Antionette Ravindran

For Respondents:

Mr.R.Nagarajan for R1 To R3
No appearance for R-4



JUDGMENT

(Judgment of the Court was delivered by C.V.Karthikeyan J.)

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The second respondent in M.C.O.P.No.42 of 2013 on the file of the Motor Accident Claims Tribunal (Sub Court) Tambaram, aggrieved by the order dated 13.06.2018, is the appellant herein.

2. M.C.O.P.No.42 of 2013 had been filed by the legal heirs of the deceased Gurumoorthy, who died on 10.12.2004 due to a road accident that had occurred on 8.12.2004 at about 1.00 pm, when he was riding as a pillion rider in a motorcycle bearing registration No.TN-01-K-4075 driven by one Narayanan, fourth respondent herein and owner of the vehicle. The said vehicle had dashed against the Centre Median of the road consequent to which, Gurumoorthy sustained grievous injuries and despite treatment given, had succumbed to the injuries. Claiming compensation for the death of the said Narayanan in the road accident, his legal heirs had filed the aforementioned Motor Accidents Claim Petition.

3. A counter affidavit had been filed by the appellant herein. It was a quite extensive counter raising not only statutory defences but also general defences. It was claimed that the owner of the motorcycle, who drove it, did not have a valid driving licence at the time of accident and therefore, they would not be liable to pay the compensation. They had also stated, with respect to the



facts, that the claimants will have to prove the manner in which the accident had occurred and that the death had occurred only due to the accident.

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4. The Tribunal, on consideration of the pleadings, had rejected the contentions of the appellant as pleaded in the counter affidavit and proceeded to determine the compensation. The Tribunal had granted a total compensation of Rs.23,60,000/-. The age of the deceased was 31 years and his monthly income was determined as Rs.15,000/- out of which, 1/3 was deducted towards contribution for the family. The annual income was, therefore, calculated as Rs.1,20,000/- (Rs.10,000/- x 12). The multiplier 17 was adopted and the total loss of income was arrived at Rs.20,40,000/-. Compensation was also granted under the other heads. The total compensation was arrived at Rs.23,60,000/-. Such quantum of compensation is not under challenge before this court.

5. The appellant, however, contends that they are not liable to pay the compensation in view of the conditions of the insurance policy. The insurance policy had been marked as Ex.R1. On perusal of the same, we find that the same had been issued under Form 51 of the Central Motor Vehicles Rules 1989. It has been captioned as "**Liability Only Policy**". Pointing out the same, the learned counsel for the appellant argued that the insurance policy does not cover own damage and the victim in the present case being a pillion rider, the policy does not cover him and the appellant is not bound to pay compensation.



6. Though the insurance policy had been captioned as "**Liability Only Policy**", a further reading of the policy shows that under the **terms and conditions**, the limits of liability has been furnished in the very same policy.

They read as follows:-

"Death of or bodily injury - Such amount as is necessary to meet the requirements of the Motor Vehicles Act, 1988. Under Section 1 of the policy - Damage to third party Property - Rs.5000.00 Deductible under Section-1: Rs.0.00"

7. It is very fairly stated by the learned counsel for the appellant that the above clause shown as **limits of liability**, indicates that the policy covers the injuries caused to pillion riders also. However, the learned counsel argued that this clause has been wrongly typed in the policy. We are not able to accept the particular statement.

8. The policy had been issued by the appellant. It had been signed by the appellant. It had been verified by the officials of the appellant. The discrepancy could also be vice versa. The caption "**liability only policy**" could have been wrongly mentioned. The **limits of liability** clearly shows that the policy covers injuries caused to the pillion rider also. When once this aspect has been categorically printed, we hold that the appellant cannot deny their liability to pay the compensation. We hold that they are liable to pay the same.



9. At this stage, the learned counsel for the appellant submits that the premium collected should be taken into consideration to conclude that it is only a **"liability only policy"**. The policy is of the year 2004. The accident had taken place in the year 2004. The claim petition is of the year 2013. At this stage, after more than two decades, it may not be appropriate for this court to examine such aspect, particularly, when there is no specific and express statement about this aspect in the counter filed before the Tribunal. We hold that it is only a bald statement made as an afterthought to deny liability. We, therefore, hold that no valid grounds have been raised in the Civil Miscellaneous Appeal to interfere with the award passed by the Tribunal. We confirm the Award granted.

10. In view of the above reasons, the Civil Miscellaneous Appeal stands dismissed. No costs. The connected miscellaneous petition is also dismissed.

(C.V.K.,J.) (K.R.S.,J.)
25-03-2026

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

To
Motor Accident Claims Tribunal
(Sub Court) Tambaram.



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**C.V.KARTHIKEYAN, J.
AND
K.RAJASEKAR, J.**

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