BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

RESERVED ON : 30.01.2026

PRONOUNCED ON : 23.03.2026

CORAM

THE HONOURABLE MR.JUSTICE G.K.ILANTHIRAIYAN

AND

THE HONOURABLE MS.JUSTICE R.POORNIMA

CMA(MD)No.1299 of 2023
and
CMP(MD)Nos.17350 of 2023 & 11048 of 2025

The Branch Manager,
Oriental Insurance Company Ltd.,
Branch Office No.16, KJR Complex,
North Veli Street,
Madurai – 625 001.

: Appellant/2nd Respondent

Vs.

1.K.Vignesh : 1st Respondent /Petitioner
2.B.Manikandan : 2nd Respondent/1st Respondent

PRAYER :- Civil Miscellaneous Appeal is filed under Section 30 of the Workmen Compensation Act, to set aside the order dated 19.04.2023 passed in E.C.No.12 of 2019, on the file of the Commissioner of Labour, Madurai.

For Appellant : Mr.A.Ilango

For Respondents : Mr.M.Mithun – for R1

No Appearance – R2

J U D G M E N T

(Judgment of the Court was delivered by the Hon'ble R.POORNIMA.J)

The appellant / 2nd respondent / Insurance Company has preferred this Civil Miscellaneous Appeal challenging the order dated 19.04.2023 passed by the Commissioner of Labour, Madurai, in E.C. No. 12 of 2019

2. By the said order, the learned Commissioner of Labour awarded a sum of Rs.18,52,720/- towards compensation in favour of the 1st respondent / claimant and directed the appellant / Insurance Company to deposit the entire award amount.

3. Aggrieved by the findings with respect to liability as well

as quantum, the present appeal has been filed by the Insurance Company, which was arrayed as the 2nd respondent before the Commissioner of Labour.

4. The brief facts of the claimant's case are as follows:

(i) The claimant was employed as a labourer under the 1st respondent. On 16.12.2017, at about 11.30 p.m., pursuant to the instructions of the employer, the claimant proceeded to remove a mike set and electric bulbs at Sethunagar Temple. While travelling in a vehicle, namely a Bajaj two-wheeler bearing Registration No. TN 65 AD 3255, owned by the 1st respondent, on the Ramanathapuram – Keelakarai Main Road near Sethunagar, the claimant met with an accident during the course of and arising out of his employment.

(ii) Due to the accident, the claimant sustained fractures, head injuries, and multiple bodily injuries. He was initially treated at the Government Hospital, Ramanathapuram, and thereafter shifted to the Government Rajaji Hospital, Madurai. Subsequently, he was admitted as an inpatient at Hannah Joseph Hospital, K.K. Nagar, Madurai, from 17.12.2017 to 15.01.2018, and again from 11.02.2018 to 10.03.2018. It is the claimant's case that he continues to undergo treatment as an outpatient and incurred medical expenses to the tune of Rs.10,00,000/-. The employer / vehicle owner remained ex-parte before the Commissioner.

5. The appellant / Insurance Company filed a counter affidavit disputing its liability. It was contended that the insurance policy obtained by the 1st respondent was only a private policy and that no additional premium had been paid to cover the risk of the employee/claimant. The Insurance Company further submitted that the policy in question is a Two-Wheeler Package Policy. Under Section III of the policy, the liability coverage is restricted to the Registered Owner-cum-Driver, limited to Rs.1,00,000/-. The personal accident coverage is exclusively intended for the registered owner while driving the vehicle with a valid driving license. Since the claimant is neither the registered owner nor a person covered under the policy, the Insurance Company cannot be fastened with liability. It was argued that even assuming the claimant sustained injuries during the course of employment, the primary liability to pay compensation rests solely with the employer / vehicle owner.

6. The core issue that arises for consideration is whether the insurance policy covers the risk of the employee / claimant.

7. Upon perusal of the policy, it is evident that the policy coverage is limited to the Registered Owner-cum-Driver. There is no material to show that any premium was paid to extend coverage to employees. The claimant, admittedly, is not the registered owner and therefore does not fall within the scope of the personal accident coverage.

8. In view of the above, this Court is of the considered opinion that the Insurance Company cannot be held liable to satisfy the award.

9. Accordingly, the Civil Miscellaneous Appeal is allowed. The order dated 19.04.2023 passed by the Commissioner of Labour, Madurai, in E.C. No. 12 of 2019 is hereby set aside insofar as it fastens liability on the appellant / Insurance Company. The claim by disputing that the claimant is employer of the 2nd respondent. It can be inferred that the claimant was employed under the 2nd respondent. Therefore, it is held that the accident occurred during the course of employment. Accordingly

the 2nd respondent is directed to pay the compensation amount to the 1st respondent/claimant. No costs. Consequently, connected miscellaneous petitions are closed.

(G.K.I.J) (R.P.J.,)
23.03.2026

Index:Yes/No
NCC:Yes/No

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To

1.The Commissioner of Labour,
Madurai.

2.The Section Officer,
ER/VR Section,
Madurai Bench of Madras High Court,
Madurai.

G.K.ILANTHIRAIYAN.,J
and
R.POORNIMA, J

gvn

CMA(MD)No.1299 of 2023

23.03.2026