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DISTRICT JUDGE
EVANS NG
30 OCTOBER 2026

IN THE STATE COURTS OF THE REPUBLIC OF SINGAPORE

[2026] SGDC 361

District Court Originating Claim No 851 of 2025

Between

Etiqa Insurance Pte. Ltd.

… *Claimant*

And

Chye Joo Marine Pte. Ltd.

… *Defendant*

JUDGMENT

[Insurance] — [General principles] — [Claims]
[Insurance] — [Liability insurance] — [Employer's]

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Etiqa Insurance Pte. Ltd.
v
Chye Joo Marine Pte. Ltd.

[2026] SGDC 361

District Court Originating Claim No 851 of 2025
District Judge Evans Ng
3 September, 29 October 2026

30 October 2026 Judgment reserved.

District Judge Evans Ng:

1 The defendant ("CJMPL") carries on the business of repairing ships. On 26 May 2019, it deployed several employees to a shipyard[1] to carry out grit-blasting and spray-painting works to a ship.[2] They included Mr Yeduvaka Mali Naidu ("Naidu"), a supervisor and forklift operator,[3] Mr Shanmugam Sivarasu ("Sivarasu")[4] and Mr Rahman Zillur ("Zillur"), both of whom were grit-blasters and spray-painters. The shipyard was their workplace within the meaning of s 5(1) of the Workplace Safety and Health Act (Cap 354A, 2009 Rev Ed) ("WSHA").

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[1] Affidavit of Evidence-in-Chief ("AEIC") of Lew Soo Lin, para 9.

[2] AEIC of Lew Soo Lin, paras 8-11.

[3] Agreed Bundle of Documents ("ABOD") 92.

[4] ABOD 82.

The accident and its aftermath

2 While at work, Sivarasu operated a forklift to shift some equipment even though he knew that he was not supposed to operate it because he lacked the requisite certification.[5] Naidu knew that Sivarasu was not certified yet allowed him to proceed.[6] Both also knew that the forklift had faulty brakes.[7] Sivarasu lost control of the forklift, causing it to crash through a guardrail together with a blasting pot. Those masses fell onto the slipway below, landing on Zillur and killing him.

3 Naidu was aware of the danger posed by an uncertified person operating a forklift at the workplace. He had been involved in preparing CJMPL's risk assessment forms for the work activities of "Grit Blasting" and "Spray Painting", and had signed them.[8] The risk assessment forms identified the hazards of a forklift colliding with objects or overturning during operation.[9] The severity of the consequences if those hazards materialised was assessed as "Major" or "Catastrophic", reflecting the potential for serious injuries or fatalities.[10] The risk assessment forms prescribed that only certified persons were permitted to operate forklifts. Naidu failed to enforce that risk control measure.

4 Naidu and Sivarasu were each charged with and convicted of an offence under s 15(3) of the WSHA for recklessly performing, without reasonable cause,

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[5] ABOD 88.

[6] ABOD 98.

[7] ABOD 88 and 98.

[8] ABOD 9-14 and 15-23.

[9] ABOD 9, 10, 15 and 16.

[10] ABOD 14 and 23.

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acts that endangered the safety of others at work.[11] The occupier of the shipyard, which was a different company, was also charged with and convicted of an offence under s 11(*c*) read with s 20 of the WSHA for failing to prevent the unauthorised operation of forklifts at the workplace and to ensure that the forklifts kept there were properly maintained.[12] CJMPL was not charged.[13]

5 CJMPL was insured under a work injury compensation policy ("Policy")[14] at the relevant time, as required by s 23 of the Work Injury Compensation Act (Cap 354, 2009 Rev Ed) ("WICA"). The claimant ("EIPL") was the insurer. Compensation was payable under the WICA because Zillur's death resulted from an accident arising out of and in the course of his employment. The Commissioner for Labour assessed the compensation payable at $109,800.[15] As the relevant insurer, EIPL was liable to pay the compensation sum under s 32(1) of the WICA and did so.[16]

The claim

6 Pursuant to the following provisions of the Policy, EIPL seeks to recover from CJMPL the compensation it paid. The second provision was expressly designated as a condition, which I shall refer to as the "Condition":

> [CJMPL] warrants that in the event of any failure by [CJMPL] to comply with any of the terms of this [Policy], [CJMPL] shall repay to [EIPL] all sums paid by [EIPL] which [EIPL] would not

[11] ABOD 89-90 and 100-101.

[12] ABOD 125-126.

[13] AEIC of Lew Soo Lin, para 32.

[14] ABOD 38-49.

[15] ABOD 55-56.

[16] AEIC of Chiew Yah Cheng, para 20.

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> have been liable to pay but for the [WICA and any regulations made thereunder].[17]
>
> [CJMPL] shall take all reasonable precautions to prevent accidents and disease to [CJMPL's] employee and shall comply with all statutory obligations and requirements.[18]

The Condition imposes two obligations. To succeed, EIPL must establish, among other things, that CJMPL breached either (i) the obligation to take all reasonable precautions to prevent accidents to its employees ("Reasonable Precautions Obligation") or (ii) the obligation to comply with all statutory obligations and requirements ("Statutory Compliance Obligation"). In this regard, I disagree with the curious position taken in EIPL's closing submissions that it must prove a breach of both obligations.[19]

Reasonable Precautions Obligation

7 The meaning of the expression "reasonable precautions" in liability insurance policies is well established. In the leading case of *Woolfall and Rimmer, Limited v Moyle* [1942] 1 KB 66 ("*Woolfall & Rimmer*"), the plaintiff was a company whose business included painting work. The defendants were Lloyd's underwriters who agreed to indemnify the plaintiff under an employers' liability policy. The policy contained a condition materially identical to the Condition in the present Policy, including the Reasonable Precautions Obligation: "*The assured shall take reasonable precautions to prevent accidents* and to comply with all statutory obligations" [italics added].

8 While the plaintiff's workmen were painting a roof, the planks forming the scaffolding on which they stood gave way. One workman was killed and

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[17] ABOD 42.

[18] ABOD 41.

[19] Claimant's Closing Submissions, para 9.

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several others were injured. A plank was found to be defective, and the plaintiff conceded that its foreman had been negligent in using it. Nevertheless, the plaintiff contended that it had complied with the Reasonable Precautions Obligation by entrusting the selection of the planks and supervision of the erection of the scaffolding to a skilled foreman who had been in its employment for 33 years. The English Court of Appeal unanimously held that the plaintiff had not breached the relevant condition.

9 The Court rejected the defendants' argument that the Reasonable Precautions Obligation imposed on the plaintiff a duty of care equivalent to that owed by an employer to its employees. The Court held that the meaning of "reasonable precautions" had to be assessed in the context of the relationship between the insured employer and the underwriters, rather than that between the employer and its employees.

10 The defendants further argued that the Reasonable Precautions Obligation incorporated the doctrine of vicarious liability, such that the plaintiff would be in breach if its foreman were negligent. The Court rejected this argument because it would effectively require the plaintiff to guarantee the foreman's diligence in performing a task reasonably entrusted to him. The Court held that the condition was satisfied if the delegation was reasonable and the plaintiff had exercised reasonable care in selecting the foreman.

11 *Woolfall & Rimmer* was applied by a subsequent English Court of Appeal in *Fraser v B. N. Furman (Productions) Ltd., Miller Smith & Partners (A Firm) Third Party* [1967] 1 WLR 898 ("*Fraser*"), in which Diplock LJ delivered the principal judgment. In *Lim Chin Yok Co Ltd v Malayan Insurance Co Inc* [1974-1976] SLR(R) 265 at [18], the Singapore Court of Appeal cited and adopted the following reasoning of Diplock LJ in *Fraser* (at 905D-906D):

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> There are three considerations to be borne in mind on the wording of [the Reasonable Precautions Obligation]. (1) It is the insured personally who must take reasonable precautions. Failure by an employee to do so, although the employer might be liable vicariously for the employee's negligence or breach of statutory duty, would not be a breach of the condition. That was established in, and was the *ratio decidendi* of, *Woolfall & Rimmer Ltd. v. Moyle*. (2) The obligation of the employer is to take precautions to prevent accidents. This means in my view to take measures to avert dangers which are likely to cause bodily injury to employees. (3) The third word to be construed in this context is "reasonable." "The insured shall take reasonable precautions to prevent accidents …." "Reasonable" does not mean reasonable as between the employer and the employee. It means reasonable as between the insured and the insurer having regard to the commercial purpose of the contract, which is *inter alia* to indemnify the insured against liability for his (the insured's) personal negligence. That, too, is established by the case which I have cited. Obviously, the condition cannot mean that the insured must take measures to avert dangers which he does not himself foresee, although the hypothetical reasonably careful employer would foresee them. That would be repugnant to the commercial purpose of the contract, for failure to foresee dangers is one of the commonest grounds of liability in negligence. What, in my view, is "reasonable" as between the insured and the insurer, without being repugnant to the commercial object of the contract, is that the insured should not deliberately court a danger, the existence of which he recognises, by refraining from taking any measures to avert it. Equally, the condition cannot mean that, where the insured recognises that there is a danger, the measures which he takes to avert it must be such as the hypothetical reasonable employer, exercising due care and observing all the relevant provisions of the Factories Act, 1961, would take. That, too, would be repugnant to the commercial purpose of the contract, for failure to take such measures is another ground of liability in negligence for breach of statutory duty. What, in my judgment, is reasonable as between the insured and the insurer, without being repugnant to the commercial purpose of the contract, is that the insured, where he does recognise a danger should not deliberately court it by taking measures which he himself knows are inadequate to avert it. In other words, it is not enough that the employer's omission to take any particular precautions to avoid accidents should be negligent; it must be at least reckless, that is to say, made with actual recognition by the insured himself that a danger exists, and not caring whether or not it is averted. The purpose of the condition is to ensure that the insured will not, because he is covered against loss by the policy refrain from taking precautions which he knows ought to be taken.

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12 Australian appellate courts have adopted the same approach. In *Kodak (Australasia) Pty Ltd v Retail Traders Mutual Indemnity Insurance Association* (1942) 42 SR (NSW) 231, the court applied *Woolfall & Rimmer*, while in *Albion Insurance Company Ltd v Body Corporate Strata Plan No 4303* [1983] 2 VR 339, the court applied *Fraser*.

13 The appellate authorities establish three principles governing the construction of the Reasonable Precautions Obligation. First, in a liability insurance policy, the obligation is not breached by mere negligence but by recklessness. Second, the relevant recklessness must be that of the insured itself. An employee's recklessness cannot be attributed to the insured merely via vicarious liability. Third, recklessness in this context means that the insured recognised a danger and deliberately courted it, either by taking no measures to avert it or by taking measures which it knew were inadequate.

14 Applying these principles, I find that CJMPL did not breach the Reasonable Precautions Obligation in relation to the accident. It is common ground between the parties that CJMPL entrusted supervision of the work at the shipyard to Naidu.[20] CJMPL did so reasonably because Naidu was suitably qualified for that role. This was analogous to the delegation by the company to its foreman in *Woolfall & Rimmer*. It is undisputed that Naidu had undergone the requisite training,[21] including a shipyard supervisor's safety course.[22] He had worked in Singapore's marine industry since at least 2008, initially as a marine sector worker, and had become a supervisor in 2014.[23] There is no

[20] Claimant's Closing Submissions, paras 36-42.

[21] AEIC of Lew Soo Lin, para 16.

[22] Bundle of AEICs 134.

[23] AEIC of Lew Soo Lin, para 15.

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evidence that, before the accident, CJMPL knew or had reason to suspect that Naidu was failing to or would fail to discharge his supervisory duties properly, including by allowing uncertified employees to operate forklifts. Nor is there evidence to show that the safety measures implemented by CJMPL were otherwise inadequate.

Statutory Compliance Obligation

15 EIPL's claim based on the Statutory Compliance Obligation is contractual, rather than an independent claim for breach of statutory duty. It is thus not affected by s 60(1)(*a*) of the WSHA, which provides that nothing in the Act is to be construed as conferring a right of action in civil proceedings for a contravention of its provisions.

16 In its Statement of Claim, EIPL pleaded that CJMPL breached the Statutory Compliance Obligation by contravening s 12(1) of the WSHA,[24] which provides:

> It shall be the duty of every employer to take, so far as is reasonably practicable, such measures as are necessary to ensure the safety and health of his employees at work.

Section 12(3) further provides:

> For the purposes of subsection (1), the measures necessary to ensure the safety and health of persons at work include — […]
>
> (*b*) ensuring that adequate safety measures are taken in respect of any machinery, equipment […] used by those persons; […] and
>
> (*e*) ensuring that those persons at work have adequate […] supervision as is necessary for them to perform their work.

[24] Statement of Claim ("SOC"), para 18(e). The SOC has cited the wrong version of the Act, but the error is immaterial.

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17 Oddly, no arguments were made in EIPL's closing submissions to explain how CJMPL had contravened s 12(1). I shall nevertheless deal with EIPL's pleaded case. The convictions of Naidu and Sivarasu under s 15(3) of the WSHA do not assist EIPL in proving that CJMPL contravened s 12(1). Section 15(3) applies to a "person at work" and imposes an obligation on that person. A breach by that person does not automatically implicate "his employer", whom s 15(1) treats as distinct. Separately, neither CJMPL nor any of its officers was charged in connection with the accident, although prosecution under s 12(1), read with ss 20, 48(1) and 50(*b*), was available. There is therefore no conviction of CJMPL on which EIPL may rely under s 45A of the Evidence Act 1893[25] to prove that CJMPL contravened s 12(1) of the WSHA and breached the Statutory Compliance Obligation. EIPL must establish the alleged contravention by other evidence.

18 EIPL pleaded that CJMPL contravened s 12(1) by permitting Sivarasu to operate the forklift despite Sivarasu's lack of the requisite certification and Naidu's knowledge that the forklift's brakes were faulty.[26] It is undisputed that Naidu, CJMPL's supervisor, permitted Sivarasu to operate the forklift in those circumstances. In my view, it is unnecessary to determine whether Naidu's acts and omissions at the material time should be attributed to CJMPL. That would not be the correct inquiry in the context of s 12(1) because Naidu's presence and his conduct at the shipyard at the material time constituted part of the very "measures" that CJMPL was obliged to take, and that were "necessary to ensure the safety and health of persons at work". The real question therefore concerns the measures taken by CJMPL to ensure workplace safety at the material time, which *includes* whether its deployment of Naidu as a supervisor was

[25] Claimant's Closing Submissions, paras 50 and 51.

[26] SOC, para 18(e).

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satisfactory. These measures fall to be considered under s 12(1), read with ss 12(3)(*b*) and 12(3)(*e*) of the WSHA.

19 The appointment of a suitably qualified supervisor is relevant to that inquiry but is not necessarily conclusive. As stated at [3] above, CJMPL's risk assessment forms identified the hazards associated with forklift operation and expressly required that forklifts be operated only by certified persons. CJMPL's supervisor at the workplace was obliged to enforce the risk control measure. But as explained at [14] above, CJMPL's appointment of Naidu to supervise the work at the material time was not unsatisfactory—he possessed the relevant qualifications and experience to do so. CJMPL had no reason to doubt that Naidu would carry out his supervisory duties properly. I find that Naidu's failure to enforce the prescribed safety measure at the material time does not, without more, establish CJMPL's failure to take the necessary measures under s 12(1). That puts to rest the allegation within the scope of EIPL's pleaded case. On the evidence before me, I am also not satisfied that any other grounds have been established for alleging that CJMPL failed to adopt or implement a reasonably practicable measure necessary to discharge its statutory duty. EIPL has not proved a contravention of s 12(1) of the WSHA.

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20 In sum, EIPL has not proved that CJMPL breached the Condition reproduced at [6] above and its claim is dismissed. Unless the parties can agree on costs, they are to file written submissions within 14 days of this judgment for costs to be fixed.

Evans Ng
District Judge

Christopher Fernandez and Low Huai Pin (TKQP Law LLP) for the claimant;
Nicholas Yong Yoong Han and Lee Pei Yin Cynthia (Hin Tat Augustine & Partners) for the defendant.

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