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

1. FAO-3952 of 2006

United India Insurance Co and ors. ......Appellant

Vs.

Manjit Kaur and ors ......Respondent

2. FAO-3953 of 2006 (O&M)

United India Insurance Co and ors. ......Appellants

Vs.

Balwinder Singh and ors ......Respondents

Date of Decision: November 07, 2024

CORAM: HON'BLE MRS. JUSTICE SUDEEPTI SHARMA

Present: Mr. Suman Jain, Advocate
for the appellant (s) in both the cases.

Mr. Naveen S. Attri, Advocate
for respondent Nos. 5 and 6 in FAO No. 3952-2006 and
for respondent No. 2 and 3 in FAO No. 3953-2006

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SUDEEPTI SHARMA J.

1. This judgment shall dispose of the above titled two appeals, whereby challenge is to the award dated 09.06.2006 passed in the claim petitions filed under Section 166 of the Motor Vehicles Act, 1988 by the learned Motor Accident Claims Tribunal, Ambala (for short, 'the Tribunal'), wherein the appellant(s)-Insurance company was fastened with the liability to pay the compensation to the claimants along with interest @ 7.5% per annum.

FACTS NOT IN DISPUTE

2. The brief facts of the case are that on 24.11.2004, Ranjit Singh (since deceased) along with his brother Balwinder Singh was going from Ambala city to

his village, Bakana, District Kurukshetra on motorcycle bearing registration No. HR-07G-4407. The motorcycle was being driven at a moderate speed by Ranjit Singh (since deceased) and Balwinder Singh was the pillion rider. When they reached near village Dukheri and turning to village Mohra, in the meantime, a tractor bearing registration No. PB-11V-0480 came from the side of village and crossed the divider and come on the road leading towards Shahabad and hit the tractor against the above motorcycle. As a result of which, both the riders of the motorcycle fell down and sustained injuries. They were taken to Civil Hospita, Ambala Cantt, from where they were referred to PGI, Chandigarh. However, Ranjit Singh succumbed to his injuries in Government Medical College and Hospital, Sector 32, Chandigarh.

3. Upon notice of the claim petition, appellant-Insurance Company, driver and owner appeared and denied the factum of compensation.

4. From the pleading of the parties, the Tribunal framed the following issues:-

> *"1. Whether the accident was caused due to rash and negligent driving of truck No. PN-11V-0480 by respondent No. 1-Ranjit Singh causing injuries to Balwinder Singh and Ranjit Singh resulting into death of Ranjit Singh, as alleged? OPP*
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> *2. If issue No.1 is proved in the affirmative, whether the claimants are entitled to compensation. If so, to what amount and from whom? OPP*
>
> *3. Whether Insurance Company-respondent No. 3 is not liable to make any payment of compensation in view of the preliminary objections taken in the written statement? OPR3*

4. Relief."

5. After taking into consideration the pleadings and the evidence on record, the learned Tribunal awarded compensation to the claimants. However, the liability to pay compensation was fastened upon the appellant-Insurance Company.

SUBMISSIONS OF LEARNED COUNSELS FOR THE PARTIES

6. Learned counsel for the appellant (s) has vehemently argued that the learned Tribunal has erred in law in fixing the liability upon the appellant-Insurance Company, driver-respondent No. 1 and owner-respondent No. 2 jointly and severally, as the driver of the offending was not having the valid driving licence to drive a tractor, since in the driving licence, it was written for driving a car and scooter only. Therefore, the appellant-Insurance company was wrongly held liable to pay the compensation and the appellant-Insurance Company should have been granted the recovery rights by the Tribunal.

7. Per contra, learned counsel for respondents-owner and driver argues on the line of the award and prays that the present appeals are liable to be dismissed.

8. I have heard learned counsel for the parties and perused the whole records of the case.

9. Before proceeding further, it is relevant to reproduce the relevant portion of the award, which reads as under:-

> *"24. However, it has been argued by learned counsel for Insurance Company that it has been proved on the record that respondent No. 1 was having driving licence for driving car and scooter only and that he was not having a licence to drive a tractor. On this point, he has placed reliance upon report of Licensing Authority Patiala, which is Ex RC.*
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> *25. Ashok Kumar, Ahlmad when appeared as RW-1 has deposed that driving licence of Ranjit Singh respondent No. 1 was for driving scooter and*

motorcycle only and that the same was not for driving tractor. Hence, it is argued that Insurance Company is not liable to make payment of any compensation as the tractor was being driven by its driver in violation of terms and conditions of the Insurance Policy.

26. Law on the point of no more 'res integra'. The present case is fully covered by recent decision of Hon'ble Supreme Court in ***National Insurance Company Ltd. Vs. Swaran Singh Ors. (2004-1) RCR (Civil) page 114 (S.C.)****. The judgement was also followed by full Bench of our Hon'ble High Court in* ***National Insurance Company Ltd. Vs. Parveen Kumar, 2005 (1) RCR (Civil) Page 485 (P&H)****."*

10. Reference at this stage can be made to a latest judgment of Hon'ble the Supreme Court in a case of ***M/s Bajaj Alliance General Insurance Co. Ltd. vs. Rambha Devi & Ors, 2024 INSC 840*** wherein Hon'ble the Supreme Court has held as under:-

(I) A driver holding a license for Light Motor Vehicle (LMV) class, under Section 10(2)(d) for vehicles with a gross vehicle weight under 7,500 kg, is permitted to operate a `Transport Vehicle' without needing additional authorization under Section 10(2)(e) of the MV Act specifically for the `Transport Vehicle' class. For licensing purposes, LMVs and TransportVehicles are not entirely separate classes. An overlap exists between the two. The special eligibility requirements will however continue to apply for, inter alia, e-carts, erickshaws, and vehicles carrying hazardous goods.

(II) The second part of Section 3(1), which emphasizes the necessity of a specific requirement to drive a `Transport Vehicle,' does not

supersede the definition of LMV provided in Section 2(21) of the MV Act.

(III) The additional eligibility criteria specified in the MV Act and MV Rules generally for driving `transport vehicles' would apply only to those intending to operate vehicles with gross vehicle weight exceeding 7,500 kg i.e. `medium goods vehicle', `medium passenger vehicle', `heavy goods vehicle' and `heavy passenger vehicle'.

(iv) The decision in Mukund Dewangan (2017) is upheld but for reasons as explained by us in this judgment. In the absence of any obtrusive omission, the decision is not per incuriam, even if certain provisions of the MV Act and MV Rules were not considered in the said judgment

11. A reference to the judgment in **National Insurance Co. Ltd. v. Swaran Singh,** **(2004) 3 SCC 297** may, therefore be apposite. A three-judge bench of this Court noted that the liability of the insurance company in relation to the owner depends on several factors. The issue of lack of valid driving license was discussed as under:

> *"7. If a person has been given a licence for a particular type of vehicle as specified therein, he cannot be said to have no licence for driving another type of vehicle which is of the same category but of different type. As for example, when a person is granted a licence for driving a light motor vehicle, he can drive either a car or a jeep and it is not necessary that he must have driving licence both for car and jeep separately.*

89. Section 3 of the Act casts an obligation on a driver to hold an effective driving licence for the type of vehicle which he intends to drive. Section 10 of the Act enables the Central Government to prescribe forms of driving licences for various categories of vehicles mentioned in sub-section (2) of the said section. The various types of vehicles described for which a driver may obtain a licence for one or more of them are: (a) motorcycle without gear, (b) motorcycle with gear, (c) invalid carriage, (d) light motor vehicle, (e) transport vehicle, (f) road roller, and

(g) motor vehicle of other specified description. The definition clause in Section 2 of the Act defines various categories of vehicles which are covered in broad types mentioned in sub-section (2) of Section 10. They are "goods carriage", "heavy goods vehicle", "heavy passenger motor vehicle", "invalid carriage", "light motor vehicle", "maxi-cab", "medium goods vehicle", "medium passenger motor vehicle", "motor-cab", "motorcycle", "omnibus", "private service vehicle", "semi-trailer", "tourist vehicle", "tractor", "trailer" and "transport vehicle". In claims for compensation for accidents, various kinds of breaches with regard to the conditions of driving licences arise for consideration before the Tribunal as a person possessing a driving licence for "motorcycle without gear", [sic may be driving a vehicle] for which he has no licence. Cases may also arise where a holder of driving licence for "light motor vehicle" is found to be driving a "maxi-cab", "motor-cab" or "omnibus" for which he has no licence. In each case, on evidence led before the Tribunal, a decision has to be

taken whether the fact of the driver possessing licence for one type of vehicle but found driving another type of vehicle, was the main or contributory cause of accident. If on facts, it is found that the accident was caused solely because of some other unforeseen or intervening causes like mechanical failures and similar other causes having no nexus with the driver not possessing requisite type of licence, the insurer will not be allowed to avoid its liability merely for technical breach of conditions concerning driving licence.

90. We have construed and determined the scope of sub-clause (ii) of sub-section (2) of Section 149 of the Act. Minor breaches of licence conditions, such as want of medical fitness certificate, requirement about age of the driver and the like not found to have been the direct cause of the accident, would be treated as minor breaches of inconsequential deviation in the matter of use of vehicles. Such minor and inconsequential deviations with regard to licensing conditions would not constitute sufficient ground to deny the benefit of coverage of insurance to the third parties."

12. This Court in FAO-3947-2007 titled as '**The Oriental Insurance Company Ltd., Chandigarh versus Asha Devi and Others**' decided on 04.10.2024 held as under:-

"10. I do not find any infirmity in the reasoning given by the learned Tribunal in rejecting the contention of the appellant/respondent No.2 i.e. Oriental Insurance Company, with respect to the possessing of the driving licence to drive scooter, motorcycle, car, jeep and tractor and not three-wheeler. The issue raised by the learned counsel for the

appellant is no longer res-integra and decided by the Hon'ble Apex Court in the case of ***"Mukund Dewangan vs. Oriental Insurance Company" 2017(4) TAC 11****, wherein it was held that when a driver is holding a licence to drive 'light motor vehicle', he is competent to drive a 'transport vehicle' of that category without specific endorsement to drive the transport vehicle. The relevant paras of the same are reproduced as under:-*

> *"46. Section 10 of the Act requires a driver to hold a licence with respect to the class of vehicles and not with respect to the type of vehicles. In one class of vehicles, there may be different kinds of vehicles. If they fall in the same class of vehicles, no separate endorsement is required to drive such vehicles. As light motor vehicle includes transport vehicle also, a holder of light motor vehicle licence can drive all the vehicles of the class including transport vehicles. It was pre-amended position as well the post amended position of Form 4 as amended on 28.3.2001. Any other interpretation would be repugnant to the definition of "light motor vehicle" in section 2(21) and the provisions of section 10(2)(d), Rule 8 of the Rules of 1989, other provisions and also the forms which are in tune with the provisions. Even otherwise the forms never intended to exclude transport vehicles from the category of 'light motor vehicles' and for light motor vehicle, the validity period of such licence hold good and apply for the transport vehicle of such class also and the expression in Section 10(2)(e) of the Act 'Transport*

Vehicle' would include medium goods vehicle, medium passenger motor vehicle, heavy goods vehicle, heavy passenger motor vehicle which earlier found place in section 10(2)(e) to (h) and our conclusion is fortified by the syllabus and rules which wehave discussed. Thus we answer the questions which are referred to us thus:

> *(i) 'Light motor vehicle' as defined in section 2(21) of the Act would include a transport vehicle as per the weight prescribed in section 2(21) read with section 2(15) and 2(48). Such transport vehicles are not excluded from the definition of the light motor vehicle by virtue of AmendmentAct No.54/1994.*
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> *(ii) A transport vehicle and omnibus, the gross vehicle weight of either of which does not exceed 7500 kg. would be a light motor vehicle and also motor car or tractor or a road roller, 'unladen weight' of which does not exceed 7500 kg. and holder of a driving licence to drive class of "light motor vehicle" as provided in section 10(2)(d) is competent to drive a transport vehicle or omnibus, the gross vehicle weight of which does not exceed 7500 kg. or a motor car or tractor or road-roller, the "unladen weight" of which does not exceed 7500 kg. That is to say, no separate endorsement on the licence is required to drive a transport vehicle of light motor vehicle class as enumerated above. A licence issued under section 10(2)*

(d) continues to be valid after Amendment Act 54/1994 and 28.3.2001 in the form.

(iii) The effect of the amendment made by virtue of Act No.54/1994 w.e.f. 14.11.1994 while substituting clauses (e) to (h) of section 10(2) which contained "medium goods vehicle" in section 10(2)(e), medium passenger motor vehicle in section 10(2)(f), heavygoods vehicle in section 10(2)(g) and "heavy passenger motor vehicle" in section 10(2)(h) with expression 'transport vehicle' as substituted in section 10(2)(e) related only to the aforesaid substituted classes only. It does not exclude transport vehicle, from the purview of section 10(2)(d) and section 2(41) of the Act i.e. light motor vehicle.

(iv) The effect of amendment of Form 4 by insertion of "transport vehicle" is related only to the categories which were substituted in the year 1994 and the procedure to obtain driving licence for transport vehicle of class of "light motor vehicle" continues to be the same as it was and has not been changed and there is no requirement to obtain separate endorsement to drive transport vehicle, and if a driver is holding licence to drive light motor vehicle, he can drive transport vehicle of such class without any endorsement to that effect."

CONCLUSION

13. In view of the law laid down by the Hon'ble Supreme Court and by this Court in the above mentioned judgments, there is no dispute with regard to the issue that a person holding a licence to drive light motor vehicle, without any specific endorsement can drive a transport vehicle having unladen weight of less than 7500 kg. In the present case also, the driver was driving tractor, therefore, he was having the valid driving license at the time of alleged accident to drive tractor also and on this basis, it cannot be said that his driving license was not valid. Thus, the appellant-Insurance Company was rightly held liable to pay the compensation to the claimants.

14. In view of the above, both the appeals are dismissed being devoid of any merit.

15. Pending applications, if any, also stand disposed of.

(SUDEEPTI SHARMA)
JUDGE

November 07, 2024
G Arora

Whether speaking/non-speaking : Speaking
Whether reportable : Yes