



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

228

FAO-1901-2000 (O&M)

Date of decision : 12.11.2025

National Insurance Company Ltd.

..... Appellant

versus

Jeet Singh and others

..... Respondents

CORAM : HON'BLE MR. JUSTICE PANKAJ JAIN

Present: Mr. N.K. Manchanda, Advocate
for the appellant.

Mr. Kartikey Puri, Advocate for
Mr. Lokesh Sinhal, Advocate
for respondents No.1 and 2.

PANKAJ JAIN, J. (Oral)

1. The two issues raised by counsel for the appellant are regarding absence of valid licence of the deceased as well as liability of the insurance company to pay penalty.
2. Commissioner vide order dated 31.03.2000 allowed the application seeking compensation on account of death of Baldev Singh, who died in an accident arising out of and during the course of employment. The Commissioner awarded amount of Rs.34,705/- as penalty apart from the compensation under Section 4A of 1923 Act.
3. So far as the issue regarding absence of valid licence is concerned, the Commissioner in the impugned order observed as under:-

“At the stage of respondent’s evidence, respondent No.2 summoned concerned clerk of licensing authority Una. Registered summons and bailable warrant were sent to summon witness but no one appeared. Respondent No.2



requested to appoint local commissioner for verification of record of the licensing authority Una. Shri Anil Kumar Verma, Advocate was appointed as Local Commissioner who submitted his report on 17-4-1998, wherein it is reported that driving licence No. B-27650/89 was never issued nor renewed by the licencing authority Una in the name of deceased Baldev. Opportunities were given to respondent. No. 2 for leading evidence in this respect but respondent No. 2 did not lead any evidence. evidence of respondent No. 2 was closed by the order Court but evidence of Local Commissioner cannot taken as complete evidence i.e. positive evidence regarding fagness of driving licence so long as same is proved from record of Licencing authority.”

4. Counsel for the appellant does not dispute that only report of the Commissioner was tendered and no effort was made to examine the Local Commissioner.

5. In view thereof, this Court finds that no fault can be found with the order passed by the Commissioner discarding the report of Local Commissioner in the absence of his examination.

6. The other issue regarding liability to pay penalty is squarely covered by ratio of law laid down by Supreme Court in the case of **Ved Prakash Garg vs. Prem Devi** reported as **1997 AIR (SC) 3854**. As per the settled law, the penalty has to be paid by the employer and not by the insurance company.

7. In view thereof, the impugned order dated 31.03.2000 passed by the Commissioner is modified to the extent that the amount of Rs.34,705/- along with interest thereupon awarded by the Commissioner shall be paid by respondent No.3-the owner of the truck and not by insurance company.



8. With the aforesaid modification, the present appeal is disposed off.
9. Since the main case has been decided, pending miscellaneous application, if any, shall also stands disposed off.

(PANKAJ JAIN)
JUDGE

12.11.2025
Dinesh

Whether speaking/reasoned :	Yes
Whether Reportable :	No