



IN THE HIGH COURT OF PUNJAB & HARYANA AT
CHANDIGARH

FAO-5742-2009

Date of decision : 16.09.2025

The New India Assurance Company Limited

... Appellant

Versus

Dharampal and others

... Respondents

CORAM: HON'BLE MR. JUSTICE VIKAS BAHL

Present: Mr.Paul S. Saini, Advocate
for the appellant.

Mr.Hemant Hans, Advocate for
Mr.Shashi Kant Gupta, Advocate
for respondent no.1.

VIKAS BAHL, J.(ORAL)

1. The Insurance Company has filed the present appeal challenging the award dated 25.08.2009 passed by the Motor Accident Claims Tribunal, Narnaul.
2. Learned counsel for the appellant has submitted that the only challenge in the present appeal is to the finding of the Motor Accident Claims Tribunal under issues no.2 and 3 to the extent that the light motor vehicle licence issued in favour of respondent no.2 herein -Hawa Singh (driver) has been held to be valid for the purpose of driving the offending vehicle i.e., Mahindra Pick-up Van, which is a transport vehicle and the



same has been held to be valid without there being any special endorsement in the said licence with respect to the driver being authorized to drive a transport vehicle. It is submitted that the same is in violation of Section 10(2) of the Motor Vehicles Act 1988. It is prayed that the finding on the said aspect be set aside and the award dated 25.08.2009 be modified to the said extent and the insurance company be absolved of its liability or at least recovery rights be given to the insurance company against the owner and driver.

3. Learned counsel for respondent no.1-claimant has submitted that the issue in the present case is squarely covered against the appellant-insurance company in the judgment of the Hon'ble Supreme Court in the case of *M/s Bajaj Alliance General Insurance Co. Ltd. vs. Rambha Devi and others* reported as *2025(3) SCC 95* and thus, the present appeal deserves to be dismissed.

4. This Court has heard learned counsel for the parties and has perused the paper book and finds that the present appeal is meritless and deserves to be dismissed.

5. It is not in dispute that respondent no.1-Dharampal (claimant) had filed a claim petition impleading Hawa Singh (driver), Purshotam Lal (owner) and New India Assurance Co. Ltd. (insurer) as parties and the accident had taken place on 03.04.2007 and the offending vehicle was a Pick-up Mahindra Van bearing registration no.RJ-18-GA-0793, which as per the case of the present appellant was a transport vehicle.



6. On 21.05.2008, the Tribunal had framed the following issues:-

“5. Following issues were framed by determination in the claim petition on 21.5.2008.

- 1. Whether petitioner Dharampal suffered injuries in a road accident which took place on 3.45.2007 near sports stadium Narnaul (Police Station City Narnaul) due to rash and negligent driving on the part of respondent No.1 the driver Pick-up Van No.RJ-18-GA-0793? OPP*
- 2. Whether the driver of Pick-up Van in question did not hold a valid driving licence, if so to what effect? OPR-3*
- 3. Whether the petitioner is entitled to award of compensation and if so, how much and from whom? OPP*
- 4. Relief.”*

7. Under issue no.1, the Tribunal had observed that the claimant had suffered injuries in a road side accident which had taken place on 03.04.2007 due to rash and negligent driving on the part of the driver of the offending vehicle and thus, had decided the issue no.1 in favour of the claimant. The finding on the said issue is not challenged before this Court. Issues no.2 and 3 were interconnected and were decided jointly. Total amount of Rs.60,000/- along with interest was awarded as compensation. The said amount of compensation is also not challenged before this Court. On the aspect as to who is to pay the compensation, the Tribunal after taking into consideration the fact that the driver was having a valid licence



which authorized him to drive the light motor vehicle (LMV), had rejected the argument of the appellant to the effect that the said licence did not authorize the driver to drive a transport vehicle, which was the offending vehicle in question. With respect to the said finding, the Tribunal observed that the unladen weight of the vehicle in question was 1600 kgs. It is the said finding which has been challenged by the learned counsel for the appellant before this Court. Learned counsel for the appellant has pointed out that in fact the total gross weight of the vehicle in question is 2750 kgs and it is the said gross weight which has to be taken into consideration. It has been submitted that in view of the above and also the fact that the licence in favour of the driver was only for LMV and there was no endorsement in the said licence with respect to transport vehicle, thus, the insurance company cannot be held liable in the said circumstances.

8. The issue raised by the learned counsel for the appellant is no longer res integra and has been authoritatively held against the present appellant i.e., insurance company by the Constitutional Bench of the Hon'ble Supreme Court in the case of *M/s Bajaj Alliance General Insurance Co. Ltd.*, (Supra). Relevant portion of the said judgment is reproduced hereinbelow:-

“131. Our conclusions following the above discussion are 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 Transport Vehicles 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, e-rickshaws, 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](#).”

A perusal of the above judgment would show that the Constitutional Bench of the Hon’ble Supreme Court had observed that a driver holding a license for Light Motor Vehicle (LMV) class, under Section 10(2)(d) of the MV Act 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. It was further observed that for licensing purposes, LMVs and Transport Vehicles are not entirely separate classes. An overlap exists between the two. The Hon’ble Supreme Court had further clarified that the additional eligibility criteria specified in the MV Act and Motor Vehicles Rules would apply with respect to ‘transport vehicles’ in case gross vehicle weight exceeds 7,500 kg.

9. In the present case, it is not in dispute that the gross total weight of the offending vehicle is less than 7500 kgs, as even per the case of the appellant, the weight is stated to be 2750 kgs. It is also not in dispute that the driver of the offending vehicle had a valid driving licence for light motor vehicle (LMV) and the said licence as per settled law would authorize him to operate a transport vehicle in case the gross vehicle weight is under 7500 kgs. Thus, the driver in the present case was fully authorized to operate the vehicle in question.

10. Keeping in view the above said facts and circumstances, the sole argument raised on behalf of the appellant is rejected and the finding on all issues including issues no.2 and 3 is upheld and the present appeal being meritless, is dismissed.

(VIKAS BAHL)
JUDGE

September 16, 2025.

Davinder Kumar

Whether speaking / reasoned	Yes/No
Whether reportable	Yes/No