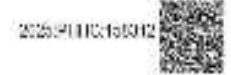


FAO-54-2017 (O&M)
FAO-1182-2017 (O&M)

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

Date of decision : 12.11.2025

FAO-54-2017 (O&M)

**NEW INDIA ASSURANCE COMPANY LTD THROUGH ITS
MANAGER**Appellant

Versus

JAGTAR SINGH & ORS ...Respondents

FAO-1182-2017 (O&M)

JAGTAR SINGHAppellant

Versus

RAJENDRA KUMAR AND ORS ...Respondents

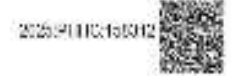
CORAM: HON'BLE MR. JUSTICE PANKAJ JAIN

Present: Ms. Veena Ashwani Talwar, Advocate and
Mr. Nikhil Sehrawat, Advocate
for the appellant in FAO-54-2017 and
for respondent/Insurance Co. in FAO-1182-2017.

Mr. Sanjeev Goyal, Advocate and
Mr. Sourav Goyal, Advocate
for the appellant in FAO-1182-2017 and
for respondent No.3 in FAO-54-2017.

PANKAJ JAIN, J. (ORAL)

These two appeals are directed against the Award passed by
MACT, Moga whereby the claim petition filed under Section 166 of the
Motor Vehicles Act, 1988 (hereinafter referred to as 'the 1988 Act') by the
claimant seeking compensation on account of injury suffered by him in a
motor-vehicular accident, dated 16.07.2012, has been allowed.



2. FAO No.54 of 2017 is at the behest of the Insurance Company disputing its liability claiming that the driver was not in possession of a valid driving licence. The driving licence was valid for Non-Transport LMV from 03.12.2007 to 02.12.2027 and is deficient for want of the requisite endorsement *qua* Goods Carriage. The offending vehicle has a laden weight of 12000 Kgs and thus cannot be treated as LMV.

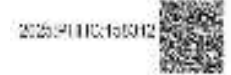
2.1. Counsel for the Insurance Company has relied upon ratio of law laid down by Supreme Court in the case of **M/s Bajaj Alliance General Insurance Co. Ltd. vs. Rambha Devi and others, (2025) 3 SCC 95** and submits that the issue is fully covered in favour of Insurance Company.

3. FAO No.1182 of 2017 is at the behest of the claimant seeking enhancement of compensation.

4. As per the claimant, he suffered locomotor permanent disability. He lost both of his legs. Tribunal ought to have compensated the claimant treating his functional disability as 100% instead of taking into consideration permanent disability of 90%.

5. I have heard counsel for the parties and have carefully gone through records of the case.

6. Licence possessed by the driver of the offending vehicle has come on record, as Exhibit R-3. From a bare perusal thereof, it reveals that the driver was licensed to drive Light Motor Vehicle, LMV-COM from 03.12.2007 to 02.12.2027. There is another endorsement. As per which, the



driver was licensed to drive Transport Vehicle from 05.03.2012 till 04.03.2015. The accident is dated 16.07.2012.

7. Thus, the issue is :

‘Whether the driver possessed valid driving licence or not on the date of accident?’

8. Section 10 of 1988 Act deals with Form and Contents of licenses to drive. The same reads as under:

“10. Form and contents of licences to drive.—(1) Every learner’s licence and driving licence, except a driving licence issued under section 18, shall be in such form and shall contain such information as may be prescribed by the Central Government.

(2) A learner’s licence or, as the case may be, driving licence shall also be expressed as entitling the holder to drive a motor vehicle of one or more of the following classes, namely:—

- (a) motor cycle without gear;
- (b) motor cycle with gear;
- (c) invalid carriage;
- (d) light motor vehicle;
- 2 [(e) transport vehicle;]
- (i) road-roller;
- (j) motor vehicle of a specified description.

9. ‘Transport Vehicle’ is defined under Section 2(47). The same reads as under:

2(47) “transport vehicle” means a public service vehicle, a goods carriage, an educational institution bus or a private service vehicle;



10. The precise issue was dealt by Supreme Court in detail in *Rambha Devi's* case (supra). While concluding the issue, Supreme Court observed as under:

“125. The licensing regime under the MV Act and the MV Rules, when read as a whole, does not provide for a separate endorsement for operating a 'Transport Vehicle', if a driver already holds a LMV license. We must however clarify that the exceptions carved out by the legislature for special vehicles like e-carts and e-rickshaws [74], or vehicles carrying hazardous goods [75], will remain unaffected by the decision of this Court.

[74 See Rule 8A of MV Rules, 'Minimum training required for driving Erickshaw or E-cart']

[75 See Rule 9 of MV Rules, 'Educational Qualification for drivers of goods carriages carrying dangerous or hazardous goods']

126. As discussed earlier in this judgment, the definition of LMV under Section 2(21) of the MV Act explicitly provides what a 'Transport Vehicle' 'means'. This Court must ensure that neither provision i.e. the definition under Section 2(21) or the second part of Section 3(1) which concerns the necessity for a driving license for a 'Transport Vehicle' is reduced to a dead letter of law. Therefore, the emphasis on 'Transport Vehicle' in the licensing scheme has to be understood only in the context of the 'medium' and 'heavy' vehicles. This harmonious reading also aligns with the objective of the 1994 amendment in Section 10(2) to simplify the licensing procedure [76].

[76 The classes medium goods vehicle[(10(2)(e)), medium passenger vehicle[10(2)(f)], heavy goods vehicle[10(2)(g)] and heavy passenger vehicle [10(2)(h)] were deleted and a new class 'Transport Vehicle' was introduced in Section 10(2)(e).]

127. The above interpretation also does not defeat the broader twin objectives of the MV Act i.e. road safety and ensuring timely compensation and relief for victims of road accidents. The aspect of road safety is earlier discussed at length. An authoritative pronouncement by this Court would prevent insurance companies



from taking a technical plea to defeat a legitimate claim for compensation involving an insured vehicle weighing below 7,500 kgs driven by a person holding a driving license of a 'Light Motor Vehicle' class.

128. In an era where autonomous or driver-less vehicles are no longer tales of science fiction and app-based passenger platforms are a modern reality, the licensing regime cannot remain static. The amendments that have been carried out by the Indian legislature may not have dealt with all possible concerns. As we were informed by the Learned Attorney General that a legislative exercise is underway, we hope that a comprehensive amendment to address the statutory lacunae will be made with necessary corrective measures.

129. Just to flag one concern, the legislature through the 1994 amendment in Section 10(2)(e) in order to introduce 'transport vehicle' as a separate class could not have intended to merge light motor vehicle (which continued as a distinct class) along with medium, and heavy vehicles into a single class. Else, it would give rise to a situation in which Sri (our hypothetical character), wanting to participate in the cycling sport, is put through the rigorous training relevant only for a multisport like Triathlon, which requires a much higher degree of endurance and athleticism. The effort therefore should be to ensure that the statute remains practical and workable.

130. Now harking back to the primary issue and noticing that the core driving skills (as enunciated in the earlier paragraphs), expected to be mastered by all drivers are universal - regardless of whether the vehicle falls into "Transport" or "Non-Transport" category, it is the considered opinion of this Court that if the gross vehicle weight is within 7,500 kg - the quintessential common man's driver Sri, with LMV license, can also drive a "Transport Vehicle". We are able to reach such a conclusion as none of the

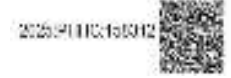


parties in this case has produced any empirical data to demonstrate that the LMV driving licence holder, driving a 'Transport Vehicle', is a significant cause for road accidents in India. The additional eligibility criteria as specified in MV Act and MV Rules as discussed in this judgment will apply only to such vehicle ('medium goods vehicle', 'medium passenger vehicle', 'heavy goods vehicle' and 'heavy passenger vehicle'), whose gross weight exceeds 7,500 Kg. Our present interpretation on how the licensing regime is to operate for drivers under the statutory scheme is unlikely to compromise the road safety concerns. This will also effectively address the livelihood issues for drivers operating Transport Vehicles (who clock maximum hours behind the wheels), in legally operating "Transport vehicles" (below 7,500 Kg), with their LMV driving license. Perforce Sri must drive responsibly and should have no occasion to be called either a maniac or an idiot (as mentioned in the first paragraph), while he is behind the wheels. Such harmonious interpretation will substantially address the vexed question of law before this Court.

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, 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



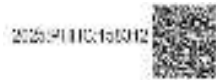
Vehicle,' does not supersede the definition of LMV provided in Section 2(21) of the MV Act.

(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. The import of the aforesaid ratio is thus that a driver holding a licence for Light Motor Vehicle (LMV) class of vehicle as prescribed under Section 10(d), is permitted to operate a 'Transport Vehicle' with a gross vehicle weight under 7,500 Kg. For driving a vehicle with gross-vehicle weight exceeding 7,500 Kg. additional eligibility criteria specified in Motor Vehicles Act and Motor Vehicle Rules needs to be satisfied.

12. In the present case, the driver is in possession of a licence which contains endorsement authorizing him to drive 'Transport Vehicle' from 05.03.2012 to 04.03.2015. This includes the date of accident i.e., 16.07.2012. This means that on 16.07.2012, driver was holding a valid driving licence to drive 'Transport Vehicle'.

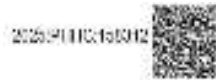


13. In view of the aforesaid finding, this Court finds that the application filed by the appellant under Order XLI Rule 27 CPC seeking permission to produce additional evidence by summoning official from the Office of Licensing Authority, DTO, Bikaner, has no bearing on the adjudication of the case as the same is based upon misreading of driving licence by the appellant/applicant. The application filed under Order XLI Rule 27 CPC as well as the appeal preferred by the Insurance Company, are accordingly, ordered to be dismissed.

FAO No.1182 of 2017

14. The compensation payable to the claimant is enhanced and modified keeping in view the ratio of law laid down by Supreme Court in the case of **Sidram Vs. The Divisional Manager, United India Insurance Co., Ltd. & anr., 2023(1) RCR (Civil) 44** and **K.S. Muralidhar vs. R. Subbulakshmi and another, 2025 AIR Supreme Court 70**. The same is tabulated as under:

Details	Compensation awarded
Part-A Compensation on Account of Loss of Income	
Income	Monthly : Rs.10,000/- Annual : Rs.1,20,000/-
Loss of Income	100%
Future prospectus	25%
Net Income	Rs.1,50,000/-
Multiplier	14
Compensation	Rs.21,00,000/-



Part -B Pecuniary & Non-Pecuniary	
Medical Expenses	Rs.70,155/-
Loss of Income During Treatment	Rs.96,000/-
Loss of Amenities of Life	Rs.5,00,000/-
Pain and Suffering	Rs.2,00,000/-
Special Diet	Rs.20,000/-
Attendant Charges	Rs.20,000/-
Transportation	Rs.30,000/-
Future Medical Expenses	Rs.5,00,000/-
Cost of Artificial Limb (for 3 times)	Rs.26,10,0000/-
Compensation A+B	Rs.61,46,155/-
Interest	7.5%

15. With the aforesaid modification, the appeal preferred by the claimant, is allowed and disposed off accordingly.
17. Pending application, if any, shall also stands disposed off.
18. A copy of this order be kept on the file of other connected case.

November 12, 2025

(Pankaj Jain)

Dpr

Judge

Whether speaking/reasoned : Yes/No

Whether reportable : Yes/No