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

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FAO-1065-2000

Date of decision :17.02.2026

NATIONAL INSURANCE COMPANY LTD.

... APPELLANT

VERSUS

ISHWAR KUMAR

...RESPONDENT

CORAM: HON'BLE MR. JUSTICE PARMOD GOYAL

Present: Mr. Deepak Suri, Advocate
for the appellant.

Mr. Narender Singh Kamboj, Advocate
for respondent No. 3.

PARMOD GOYAL, J.

1. The present appeal has been preferred by the appellant–Insurance Company, being aggrieved by the award dated 25.10.1999 passed by the Motor Accident Claims Tribunal, Hisar (hereinafter referred to as “the Tribunal”), whereby the claim petition filed by the injured-claimant was allowed and a compensation of ₹1,31,000/- was awarded along with interest @ 12% per annum from the date of filing of the claim petition till the date of realization.

2. The injured-claimant had sought compensation on account of the injuries sustained by him in motor vehicular accident dated 23.04.1997, allegedly caused by respondent No. 1 due to rash and negligent driving of truck bearing registration No. HR-24-A-7381 (hereinafter referred to as “offending vehicle”). As per the averments made in the claim petition, on 23.04.1997, the



claimant was proceeding from the Court crossing towards the town on his moped bearing registration No. HR-20-B-7785, which was being driven by him, with one Madan Lal as the pillion rider. When they reached near the T-point before the overbridge, near to the traffic lights, on noticing the red signal, the claimant had stopped his moped. In the meantime, a motorcycle also came and stopped at the red light. Thereafter, the offending truck came from behind without blowing any horn. It was alleged that the driver was driving the truck in rash and negligent manner and had struck against the moped as well as the motorcycle, resulting in the claimant and others falling down and sustaining injuries. The injured-claimant was initially taken to the Civil Hospital, Hisar where he was admitted for 2 days and thereafter remained admitted at Arora Orthopaedic Hospital, Hisar, where he underwent surgeries, including fixation of a hip implant and discharged on 13.05.1997. The claimant had sought compensation to the tune of ₹6,00,000/-, asserting that he was 30 years of age at the time of the accident, working as an agriculturist and earning ₹8,000/- per month.

3. The claim petition was not contested by respondent Nos. 1 and 2, though they had put in appearance on few dates before the Tribunal. The appellant–Insurance Company, however, contested the claim by filing its written statement and denied its liability on various grounds.

4. On the basis of the pleadings of the parties, the following issues were framed by the learned Tribunal:

- (1) *Whether and the accident took place due to the rash and negligent driving of truck No. HP-24-A/7381 driven by respondent No.1 Chanchal Singh? OPP*
- (2) *In case issue No.1 is proved, to what amount of compensation*



the claimant is entitled to and from which of the respondents?

OPP

(3) *Whether the Insurance company is not liable for the reasons stated in the preliminary objection? OPP.*

(4) *Relief.”*

5. Learned counsel for the appellant has assailed the findings of the learned Tribunal on Issue Nos. 1 and 2. However, there is nothing on record to hold that the findings recorded by the learned Tribunal are erroneous or perverse.

6. The injured-claimant had stepped into the witness box as PW-2 and fully supported the version as set out in the claim petition as well as in the FIR (Ex. P-47). His testimony remained unrebutted and is consistent with the earliest version disclosed immediately after the occurrence in the shape of the FIR. The manner of accident, as narrated therein, duly corroborates the statement of injured-claimant before the learned Tribunal. No evidence was led on behalf of the respondents to deny either the occurrence of the accident or the manner in which it took place as deposed by PW-2. Admittedly, respondent No. 1—driver of the offending vehicle is facing trial in respect of the said accident before the Court of the learned Additional Chief Judicial Magistrate, Hisar.

7. In view of the cogent and reliable evidence of PW-2, nothing substantial could be pointed out by learned counsel for the appellant to dislodge the findings recorded by the learned Tribunal on negligence. Further, the evidence of PW-1 Dr. Ashok Arora, the injured-claimant himself (PW-2), and PW-3 Dr. J.S. Bhatia, along with the hospital discharge card, OPD slips, receipts, medical bills and investigation reports (Ex. P-2 and Ex. P-6 to Ex. P-45), clearly establish the nature of injuries and the expenditure incurred on treatment of



injured-claimant. PW-3 duly proved the disability certificate showing 40% permanent disability on account of shortening of the right lower limb by two inches, along with weakness and stiffness in the right hip joint due to mal-union of fracture of the right femur.

8. Considering the nature of injuries, period of hospitalization, surgical intervention including fixation of hip implant, permanent disability to the extent of 40% and the medical expenses incurred, the compensation of ₹1,31,000/- awarded by the learned Tribunal cannot be termed excessive. The amount awarded is commensurate with the injuries and the loss suffered by the claimant.

9. The main grouse of the appellant in the present appeal pertains to Issue No. 3 regarding the validity of the driving license of the driver of offending vehicle. The learned Tribunal held that the driving license (Ex. R-1) produced in favour of the respondent-driver was defective to the extent that the original license allegedly issued by the Licensing Authority, Cuttack in 1971 was found to be fake; however, the license had subsequently been renewed on several occasions by the Licensing Authority, Sirsa.

10. The learned Tribunal rightly observed that unless it is proved that the renewals were themselves fake or that the owner was aware that the original license was fake at the time of employing the driver, the Insurance Company cannot avoid its liability vis-à-vis third parties. Accordingly, the Insurance Company was held jointly and severally liable along with the owner and driver, with liberty to recover the amount after satisfying the award, in accordance with law.



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11. I find no infirmity in the approach adopted by the learned Tribunal. An owner can be fastened with liability only if it is shown that he was aware that the driver did not possess a valid driving license or that the license was fake at the time the driver was employed. The initial onus lies upon the Insurance Company to establish such breach of policy conditions; only thereafter, onus shift upon the owner. In the present case, the license was renewed as many as seven times by the competent Licensing Authority at Sirsa. In such circumstances, the owner cannot reasonably be expected to verify the genuineness of the original license issued decades earlier. There is neither any pleading nor any evidence to suggest that the owner had knowledge of the alleged falsity of the original license. Onus cast upon Insurance Company was never discharged by it.
12. Accordingly, the appellant cannot avoid its statutory liability towards the third-party claimant.
13. The appeal is devoid of merit and is, therefore, dismissed.
14. Pending miscellaneous application(s), if any, also stand(s) disposed of accordingly.

17.02.2026
manoj

(PARMOD GOYAL)
JUDGE

Whether speaking/reasoned	Yes
Whether reportable	Yes/No