



***FAO-4256-2001(O&M) and
FAO-4381-2001(O&M)***

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

107(2 cases)

1.

FAO-4256-2001(O&M)
Date of Decision:-18.02.2026

Ranbir Singh

.....Appellant

Versus

Manoj and Another

.....Respondents

2.

FAO-4381-2001(O&M)

Manoj

.....Appellant

Versus

Ranbir Singh and Another

.....Respondents

CORAM: HON'BLE MR. JUSTICE AMARINDER SINGH GREWAL

Present: Mr. Sukhdev Singh, Advocate,
for Mr. Vikram Singh, Advocate,
for the appellant in FAO-4256-2001,
and for respondent No.1 in FAO-4381-2001.

Mr. Devansh Verma, Advocate,
for the respondent No.1 in FAO-4256-2001,
and for appellant in FAO-4381-200.

Mr. Lalit Garg, Advocate,
for the respondent No.2 (Insurance Company),

AMARINDER SINGH GREWAL, J. (Oral)

1. This order shall dispose of two appeals, i.e. FAO-4256-2001
and FAO-4381-2001, as the same have arisen out of the same Award, dated



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17.08.2001 passed by the learned Motor Accidents Claims Tribunal, Karnal (hereinafter referred to as 'the Tribunal'). FAO-4256-2001 has been filed by the appellants-claimants seeking enhancement of the compensation awarded whereas FAO-4381-2001 has been preferred by the owner/driver of vikram tempo auto rickshaw bearing registration No.HR-45-3678 (hereinafter referred to as 'offending vehicle') challenging the award on the ground of liability and quantum of compensation. For the sake of convenience, the facts are being taken from FAO-4256-2001 titled as '***Ranbir Singh v. Manoj and Another***'.

2. Succinctly, the facts of the case are that on 27.11.1998, the claimant-Ranbir Singh, was driving a motorcycle bearing registration No.HR-05D-9567 and his father, Jai Bhagwan, was sitting on the said motorcycle as a pillion rider. When they reached near Malik Petrol Pump, Nilokheri, the offending vehicle came in a rash and negligent manner and struck into the motorcycle. Due to the impact of the accident, the claimant fell down and received multiple and grievous injuries on various parts of his body, whereas his father also received minor injuries. The accident was caused due to the rash and negligent driving of respondent No.1 Manoj. A criminal case bearing FIR No. 742 dated 23.12.1998 under Sections 279, 337, 338 and 427 of Indian Penal Code, 1860 at Police Station, Pitana was also registered against respondent No.1. Soon after the accident, the injured was taken to Civil Hospital, Nilokheri and was later treated at P.K. Bhatia Orthopaedic Nursing Home, Karnal. The learned Tribunal, after appreciating the evidence on record, awarded compensation of Rs.23,000/- ,



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along with interest @ 9% per annum from the date of filing of the petition till its realisation, holding the respondent No.1(owner/driver of the offending vehicle) before it jointly and severally liable. Hence, the claimant is before this Court seeking enhancement of compensation awarded qua injuries suffered by him and the driver/owner of offending vehicle is challenging the liability fastened upon him.

3. Learned counsel for the appellant-claimant in FAO-4256-2001 and for the respondent No.1 in FAO-4381-2001 contends that the learned Tribunal, while awarding a compensation of only Rs.23,000/-, failed to appreciate that after the accident the appellant was shifted to General Hospital, Nilokheri and thereafter to the hospital of Dr. P.K. Bhatia at Karnal, where he remained admitted for about one month and incurred expenses of approximately Rs.60,000/- to Rs.98,000/- on his treatment, including hospital charges and medicines. This statement of the appellant stood corroborated by Dr. P.K. Bhatia, who deposed that he had charged Rs.3,100/- towards hospital charges excluding the cost of medicines and confirmed that the appellant remained admitted in his hospital from 28.11.1998 to 16.12.1998, i.e. about 20 days. It is further contended that the learned Tribunal, while awarding a sum of Rs.25,000/- under the relevant head, ignored that the medical bills alone amounted to Rs.20,309/- and that the doctor had admitted the period of hospitalization and hospital charges of Rs.5100/-, and thus the amount awarded pertains only to medical expenses and does not include any other expenditure incurred by the appellant. Furthermore, it is also submitted that the learned Tribunal failed to consider



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the appellant's statement that he was working as a driver with Subhash Chawla of Nilokheri and did not grant any compensation towards loss of income on account of the accident. Consequently, the appellant being a young man, his capacity to work as before has been adversely affected and his future prospects have been seriously impaired, which entitles him to compensation on this account as well. Lastly, it is submitted that the entire approach of the learned Tribunal is contrary to law and evidence on record, thereby necessitating interference by this Court.

4. Learned counsel for respondent No.1 (driver/owner of the offending vehicle) in FAO-4256-2001 and for the appellant in FAO-4381-2001 submits that the learned Tribunal has misapprehended the facts of the present case and with material irregularity while passing the impugned award. It is contended that respondent No.1 had been falsely implicated in the present case as no accident with the offending vehicle had taken place and that the claimant, while driving the motorcycle, had struck against a truck parked on the *kacha* berm on the extreme left side of the road. It is further submitted that under Issue No.1, the learned Tribunal erred in deciding the matter solely on the basis of FIR No.742 dated 23.12.1998 and the report, whereby the respondent was charged under Sections 279, 337 and 338 IPC, without properly appreciating the evidence on record. Subsequently it is pertinent to mention here that the respondent No.1 was acquitted in the criminal case vide judgment dated 12.07.2001, wherein it was held that he had been falsely implicated and that there was no reliable or independent evidence to establish his guilt. It is also argued that the



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learned Tribunal has failed to consider that the respondent was holding a valid driving licence (Ex.R-1) which authorized him to drive a Light Motor Vehicle, including a scooter, which would also cover a three-wheeler, and therefore the finding of the learned Tribunal absolving the respondent No.2-Insurance Company of its liability on the ground of absence of a specific endorsement is unsustainable, in view of the law laid down by the Hon'ble Supreme Court in ***Ashok Ganga Dhar Maratha v. Oriental Insurance Co. Ltd. 1999 (3) PLR 523 (SC)***. Lastly, it is contended that, in any event, the quantum of compensation awarded to the claimant is highly excessive and without any basis, and thus, the impugned award being patently illegal, arbitrary and without jurisdiction, deserves to be set aside.

5. At the outset, learned counsel for respondent No.2-Insurance Company submits that the award passed by the learned Tribunal does not suffer from any irregularity or infirmity, and that the findings recorded therein are well-reasoned on the basis of the material available before the learned Tribunal. It is accordingly contended that no ground is made out for interference in appeal.

6. I have heard learned counsel for the parties and examined the record, with their able assistance. The primary contention raised by the driver/owner is that he has been falsely implicated and that he stands acquitted in the criminal proceedings. In the present case, FIR No.742 dated 23.12.1998 under Sections 279, 337, 338 and 427 IPC was registered against respondent No.1 and the report under Section 173 Cr.P.C. was also placed on record. The principle that mere acquittal in a criminal case does



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not absolve a driver from civil liability in MACT cases is well-established in Indian jurisprudence. The civil liability is adjudicated based on the preponderance of probabilities, allowing the learned Tribunal to reach conclusions independently of criminal proceedings. Acquittal in the criminal case does not dilute the evidentiary value of the FIR in civil proceedings, where the standard of proof is preponderance of probabilities. Hence, mere acquittal of respondent No.1 (driver/owner) in the criminal case cannot *ipso facto* absolve him of civil liability. Reliance in this regard can be placed on a judgment rendered by the Hon'ble Apex Court in ***Smt. Smitha Anilkumar v. United India Insurance Co.Ltd (Civil Appeal No. 2995 of 2023)*** which was further asserted by this court in ***Smt. Geeta Rani v. Amrik Singh 2024 NCHHC 155599***, wherein it is clearly observed that mere acquittal of the driver in a criminal case does not absolve liability in motor accident claims as the standard of proof differs between civil and criminal proceedings. Accordingly, the contention of respondent No.1-driver/owner challenging negligence is liable to be dismissed and the finding of negligence recorded by the learned Tribunal calls for no interference.

7. Further, the learned Tribunal has awarded a total compensation of Rs.23,000/- to the claimant. A perusal of the record reveals that the claimant had sustained multiple injuries on his knees, head, legs and other parts of the body in the accident. The MLR (Ex.P-3) as well as medical bills (Ex.P-4 to Ex.P-24) were duly placed on record, which sums up to approximately Rs.20,309/-. Therefore, this Court retains the amount of



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Rs.20,309/- granted by the learned Tribunal towards medical expenses. However, the amount of Rs.2,500/- granted towards pain and suffering is inadequate and the same is enhanced to Rs.15,000/-. A further sum of Rs.5000/- each is awarded towards transportation, special diet and attendant charges. Therefore, the appellant-claimant in FAO No.4256 of 2001 shall be entitled to compensation of Rs.50,309/-. The enhanced amount over and the above the amount already awarded by the learned Tribunal shall also attract interest @ 7.5% per annum from the date of petition till realization.

8. The finding of the learned Tribunal absolving the Insurance Company of its liability on the ground that the driver of the offending auto rickshaw was not holding a valid and effective licence to drive a three-wheeler transport vehicle is totally perverse and misconceived. Section 2(21) of the Motor Vehicles Act, 1988 defines a “Light Motor Vehicle” (hereinafter referred to as ‘LMV’) to include a transport vehicle whose unladen weight does not exceed 7,500 kilograms. It is not in dispute that the offending vehicle in the present case is an auto rickshaw described in the insurance policy as “A/R passenger.” An auto rickshaw, by its very nature and specification, falls well within the statutory weight limit prescribed for an LMV. The classification of vehicles under the Act is weight-centric and not purpose-centric.

9. A three-Judge Bench of the Hon’ble Supreme Court in ***Mukund Dewangan v. Oriental Insurance Co. Ltd., (2017) 14 SCC 663***, and in full Judges’ Bench of the Hon’ble Supreme Court in ***Bajaj Alliance General Insurance Co. Ltd. v. Rambha Devi [(2025) 3 SCC 95]***, have held



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that a person holding a valid driving licence to drive a LMV is competent to drive a transport vehicle of that class, provided its unladen weight does not exceed 7,500 kilograms, and no separate endorsement is required. The Hon'ble Apex Court clarified that the requirement of a separate transport endorsement does not apply to LMV falling within the prescribed weight limit. Hence, applying the aforesaid settled principle to the facts of the present case, where it is admitted that respondent No.1 was holding a valid licence to drive a car, which falls under the category of LMV on the date of the accident, and the offending auto rickshaw indisputably falls within the LMV category, it cannot be held that there was any breach of policy condition.

10. A similar view has also been taken by the High Court of Kerala in *Sivasankaran v. Rejin 2025 (2) KLT 62* while dealing with liability concerning an auto rickshaw, it is exclusively held that auto-rickshaws, which do not exceed the weight limit of 7,500 kg, are included in the LMV category and where the driver possessed a valid LMV licence, there is no violation of policy conditions and the insurer cannot be granted recovery rights.

11. In view of the aforesaid facts and circumstances, the award 17.08.2001 passed by the learned Motor Accidents Claims Tribunal, Karnal is modified. Consequently, FAO No.4256 of 2001 is allowed to the above extent and FAO-4381-2001 filed by the appellant-owner/driver of the offending vehicle is dismissed. Needless to say, respondents No.1 and 2 in FAO No.4256 of 2001 shall be held jointly and severally liable to pay the



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compensation, however, the amount of compensation shall be paid by respondent No.2-insurance company, meaning thereby, finding of the learned Tribunal granting recovery rights granted to it, is set aside.

12. Pending application(s), if any, shall also stand disposed of.

**(AMARINDER SINGH GREWAL)
JUDGE**

February 18, 2026
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Whether speaking/reasoned:-	Yes/No
Whether Reportable:-	Yes/No