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

1. FAO-1323-2012 (O&M)

NEW INDIA ASSURANCE CO. LTD ......Appellant

Vs.

PREETI SHARMA AND ORS. ......Respondents

2. FAO-1324-2012 (O&M)

NEW INDIA ASSURANCE CO. LTD. ......Appellants

Vs.

PREETI SHARMA AND ORS. ......Respondents

**Reserved on: 15.05.2026
Pronounced on: 18.05.2026
Uploaded on : 20.05.2026**

Whether only the operative part of the judgment is pronounced? *NO*
Whether full judgment is pronounced? *YES*

CORAM: HON'BLE MRS. JUSTICE SUDEEPTI SHARMA

Present: Mr. R.C. Gupta, Advocate
for the appellant(s) in both the appeals.

Mr. Mandeep Singh Gill, Advocate
Mr. A.D.S. Jattana, Advocate
for respondent Nos. 2 and 3 in FAO No.1323-2012 and
for respondent No. 4 and 5 in FAO No.1324-2012.

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SUDEEPTI SHARMA J.

1. This judgment shall dispose of the above titled two appeals, whereby challenge is to the award dated 26.11.2011 passed in the claim petitions filed under Section 166 of the Motor Vehicles Act, 1988 by the learned Motor Accident Claims Tribunal, Panchkula (for short, 'the Tribunal'), wherein the appellant(s)-Insurance company was fastened with the liability to pay the compensation to the claimants.

2. As sole issue for determination in the present appeal is confined to liability to pay compensation as awarded by the learned Tribunal, a detailed narration of the facts of the case is not required to be reproduced here for the sake of brevity.

SUBMISSIONS OF LEARNED COUNSELS FOR THE PARTIES

3. Learned counsel for the appellant(s) has vehemently argued that the learned Tribunal has erred in law in fixing the liability upon the appellant-Insurance Company, driver-respondent No.2 and owner-respondent No.3 jointly and severally, as the driver of the offending was not having the valid driving licence to drive the offending vehicle i.e. truck, since in the driving licence, it was written for driving a scooter, motor cycle, car and jeep only and driving licence was not endorsed for Light Transport Vehicle. Therefore, the appellant-Insurance company was wrongly held liable to pay the compensation and the appellant-Insurance Company should have been granted the recovery rights by the Tribunal.

4. Per contra, learned counsel for respondents-owner and driver argues on the line of the award and prays that the present appeals are liable to be dismissed.

5. I have heard learned counsel for the parties and perused the whole records of the case.

6. Upon perusal of the award it is evident that the finding recorded by the Ld. Tribunal that respondents (driver), was in possession of a valid and effective driving licence to operate the offending vehicle, notwithstanding the absence of a specific endorsement to drive a transport vehicle, is legally sound and well-founded.

7. It is now a settled position of law that a holder of a valid licence to drive a “Light Motor Vehicle” (LMV) is duly authorised to drive a transport vehicle falling within the said class. This proposition stands conclusively

determined by the larger Bench of the Hon'ble Supreme Court in ***Mukund Dewangan v. Oriental Insurance Co. Ltd., 2017 INSC 576*** wherein it was unequivocally held that no separate endorsement is required for driving a transport vehicle, provided it falls within the category of LMV.

8. The aforesaid legal position has been subsequently reaffirmed and put beyond any pale of doubt by the Constitution Bench of the Hon'ble Supreme Court in ***M/s Bajaj Allianz General Insurance Co. Ltd. v. Rambha Devi, 2024 INSC 840***. It has been categorically held therein that a driver holding a valid LMV licence is competent to drive a transport vehicle of that class, so long as the gross unladen weight of vehicle does not exceed 7500 kilograms, and no separate endorsement is warranted in such cases.

9. In view of the above, it cannot be said that there was any breach of the terms and conditions of the insurance policy on the part of the insured. Consequently, the conclusion arrived at by the Ld. Tribunal fastening liability upon the appellant–insurance company to satisfy the award is in consonance with the settled legal position and calls for no interference. The said finding is, therefore, affirmed.

10. In view of the above, both the appeals are ***dismissed*** being devoid of any merit.

111. Pending applications, if any, also stand disposed of.

(SUDEEPTI SHARMA)
JUDGE

18.05.2026
Ayub/Sahil

Whether speaking/non-speaking : Speaking
Whether reportable : Yes