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IN THE HIGH COURT OF PUNJAB AND HARYANA
AT CHANDIGARH

FAO-3561-2015 (O&M)

Reserved on:23.02.2026

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KULDEEP AND ANOTHER

...Appellants

Versus

POONAM AND OTHERS

...Respondents

CORAM: HON'BLE MS. JUSTICE HARPREET KAUR JEEWAN

Present: Mr. Gaurav Mohunta, Senior Advocate with
Mr. Pratyush Sood, Advocate and
Ms. Diksha Mahajan, Advocate
for the appellants.

Ms. Vandana Malhotra, Advocate
for respondent No.5-Insurance Company (through VC)

HARPREET KAUR JEEWAN, J.

1. The questions involved in the present appeal are as under:

1. *“Whether a driving licence to drive a tractor with the gross weight of 2110 kilograms requires a separate endorsement under the Motor Vehicle Act, 1988 specifying that the driver can operate “Transport Vehicle”?*

2. *“Whether a trailer or trolley attached with the tractor requires separate insurance to cover the liability in a motor vehicle accident?”*

2. The owner and driver of the tractor-trolley have assailed the correctness of the Award dated 17.12.2014, passed by the Motor Accidents Claims Tribunal, Sonapat, (hereinafter referred to as the 'Tribunal') whereby, the owner and driver of the tractor-trolley have been fastened the liability and



respondent No.5-Insurance Company has been exonerated of its contractual liability under the contract of insurance.

3. As per the brief facts, on 25.12.2013, the motorcyclist (deceased-Bijender) was hit by a tractor which was being driven by the appellant No.1. Resultantly, the motorcyclist fell down on the ground and sustained injuries resulting to his death at the spot. FIR No.473 dated 26.12.2013 was registered under Sections 279, 337 and 304A of the Indian Penal Code, 1860 in Police Station Sadar, Sonipat, Haryana.

4. The legal heirs of the deceased filed a claim petition against the driver, owner and Insurance Company of the offending tractor which was allowed and a sum of Rs.9,35,000/- was awarded as compensation along with interest @ 7.5% per annum. The appellant-Kuldeep (driver of the tractor) and appellant-Joginder Singh (owner of the tractor) were directed to pay the compensation.

5. The Tribunal exonerated the Insurance Company and held owner and driver liable to pay compensation by recording the following reasons:-

*25. In the present case, from the aforesaid evidence adduced by the insurance company-respondent No.3, it is duly proved that on the date of accident i.e. 25.12.2013, the respondent No.1 was not having a valid and effective driving licence to drive the offending vehicle as it is explicit from the perusal of the deposition of RW-1 Mukesh Kumar, who has specifically deposed that the driving licence Ex.R-1 was issued in favour of respondent No.1 for driving Scooter, Motorcycle, Car and Tractor N.T. (non-transport) only and except this, there was no other endorsement regarding plying of any other vehicle i.e. transport vehicle. Further, PW-2 Vedpal has deposed during his cross-examination that two trolleys loaded with sugarcane were attached with the tractor in question and is thus a transport vehicle. In **2013 (3) Punjab Law Reporter***



329 titled Subhash Chand and others versus Satya Rani and others (P&H), the Hon'ble Punjab and Haryana High Court has observed that a tractor with the trolley attached is a transport vehicle as defined under the Motor Vehicles Act and it requires a special endorsement under Section 3 of the Motor Vehicles Act. If there was no special endorsement, he will not be said to be duly licensed to make him liable. In The Oriental Insurance Company Limited Versus N. Chandrashekarand others, 1997, it was held that if the tractor draws a trailer and the accident is caused by such tractor-trailer then the vehicle causing the accident would not be a tractor but a goods vehicle. It is only if both tractor and trailer are insured the insurer would be liable to indemnify the owner against claims arising out of the use of tractor and trailer. A perusal of the insurance policy Exhibit R-4 reveals that no premium was paid for trolley. Reliance in this regard can also be placed on the observations made in the FAO No.72 of 1996 (O&M) titled The New India Assurance Company Limited versus Sohan Lal and others (P&H). The law laid down in the aforesaid citations is fully applicable on the facts and circumstances of the case in hand as in the present case also, the respondent No.1 was driving the offending vehicle attached with two trolleys loaded with sugarcane and, therefore, it is apparent that the driver was not holding a valid driving licence for driving a transport/goods vehicle for which specific endorsement was required to be obtained from the competent authority, thus, it is held that the respondent No.1 was not having a valid driving licence to drive the offending vehicle at the time and on the date of alleged accident and, therefore, respondent No.2-insurance company is not liable to indemnify the insured by making payment of the compensation to the claimants.

26. Further, on the file, copy of the bill Exhibit R-2 of the offending vehicle has also been produced and a perusal of the same shows that Joginder Singh-respondent No.2 is the purchaser of the offending vehicle. Thus, it is held that respondent No.2 was



the owner of the offending vehicle at the time of accident in question. (Emphasis supplied)

6. Learned counsel for the appellants contends that the Tribunal has wrongly held that the driver of the tractor-trolley was not having a valid driving licence as no endorsement was there on his driving licence that he can ply any other vehicle i.e. transport vehicle. Learned counsel placed reliance on the case titled as *M/s Bajaj Alliance General Insurance Co. Ltd. Versus Rambha Devi & Ors; 2025 (1) R.C.R. (Civil) 5.*

7. It is submitted that as per the invoice of the tractor (Ex.R2), the tractor is model 5055E of 55-HP, manufactured by *John Deere India Pvt. Ltd.* As per the technical specification of the said model (available on the website of the company), the total weight of the vehicle is 2110 Kilograms.

8. *Per contra*, learned counsel for respondent No.5-Insurance Company submits that the tractor was carrying goods and was being plied as a transport vehicle, as such, the Tribunal has rightly fastened the liability on the owner of the vehicle. To supplement his arguments, learned counsel placed reliance on the case law *M/s. Natwar Parikh & Co. Ltd. Versus State of Karnataka & Others 2005 (4) RCR (Civil) 61.*

9. I have considered the aforesaid submissions and perused the paper book.

Question No.1

“Whether a driving licence to drive a tractor with the gross weight of 2110 kilograms requires a separate endorsement under the Motor Vehicle Act, 1988 specifying that the driver can operate “Transport Vehicle”?

10. The Tribunal has exonerated the Insurance Company firstly on the reason that there was no endorsement on the driving licence of the tractor-



driver that he can drive a Transport Vehicle. As such, the conditions of the insurance policy have been violated as the driver was not holding a valid and effective driving licence. The Tribunal has taken a presumption that the tractor involved in the accident is a Transport Vehicle.

10.1 The said findings are liable to be reversed in view of the recent decision of the Constitutional Bench of the Hon'ble Apex Court in *M/s Bajaj Alliance General Insurance Co. Ltd.'s case (supra)*. In the said case, the following specific question was in consideration before the Hon'ble Constitutional Bench:-

“Whether a driver holding an LMV license (for vehicles with a gross vehicle weight of less than 7,500 kgs) as per Section 10(2)(d), which specifies 'Light Motor Vehicle', can operate a 'Transport Vehicle' without obtaining specific authorization under Section 10(2)(e) of the MV Act, specifically for the 'Transport Vehicle' class;”

10.2 The conclusions of the findings by the Hon'ble Constitutional Bench 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'.***

(Emphasis supplied)

10.3 The Bench held that core driving skills expected to be mastered by all drivers are universal regardless of whether the vehicle falls into “Transport” or “Non-Transport” category. It was also held that if the gross-weight of the vehicle is within 7500 kilograms, the driver holding a licence for Light Motor Vehicle (LMV) class is permitted to operate a “transport vehicle” without the need of additional authorization under Section 10(2)(E) of the Motor Vehicles Act, 1988.

10.4 Coming to the facts of the present case, as per the invoice, the model number of the tractor is 5055E (55-HP), manufactured by *John Deere India Pvt. Ltd.* It is also not disputed that the total weight of the vehicle is **2110 Kilograms** as per the technical specifications given by the Company which are shown to have been uploaded on the website of the Company.

10.5 In view of the ratio of the aforesaid decision and the fact that weight of the tractor was less than 7500 kilograms, it is concluded that the driver of the tractor was holding a valid and effective driving licence at the time of accident. The reasons recorded by the Tribunal are not legally sustainable.

10.6 Similarly, the ratio of the decisions relied upon by the Insurance Company in *M/s. Natwar Parikh & Co. Ltd.'s case (supra)* is not applicable in view of the subsequent decision of the Constitutional Bench of the Hon'ble Apex Court in *M/s Bajaj Alliance General Insurance Co. Ltd.'s case (supra)*. The decision relied upon by the counsel for the Insurance Company in *Subhash Chand and others' case (supra)* also has distinguishable facts as in that case



during the relevant period of accident there was no endorsement on the driving licence that the driver was entitled to drive the motor vehicle other than a Transport Vehicle.

10.7 In view of the aforesaid reasons, this question No.I is answered in negative and it is held that a driver having a driving licence holding a LMV (Light Motor Vehicle) licence can operate a “Transport Vehicle” (tractor) if the gross weight of the tractor is 2110 kilograms i.e. less than 7500 kilograms without having additional endorsement on the licence regarding authorization specifically required for driving “Transport Vehicle”.

Question No.2

11. The second question for determination is as under:-

“ Whether a trailer or trolley attached with the tractor requires separate insurance to cover the liability in a motor vehicle accident?”

11.1 The learned counsel for the Insurance Company contends that the Insurer has rightly been exonerated by the Tribunal. Referring to the reasons recorded by the Tribunal, learned counsel for the Insurance Company has raised a point that only the tractor was insured and the trolley was not insured. Reference has been made to the decision of this Court in **FAO-72-1996 titled Oriental Insurance Company Limited Chandigarh versus Paramjit Kaur and Others.**

11.2. *Per contra*, learned counsel for the appellants further contends that the liability of the Insurance Company cannot be discharged since the tractor was insured and the accident took place only with the tractor. Referring to the decision of the Hon’ble Apex Court in “**The Royal Sundaram Alliance Insurance Company Limited versus Smt. Honnamma and others**”; **2025 (2) R.C.R. (Civil) 777**, it was submitted that since the main cause of the accident

was a tractor, which was pulling the moving trailer, as such, the liability of the



tractor, it's insurer, extends to the accident caused by the tractor resulting to the death of the deceased.

11.3 I do not agree with the said submission raised on behalf of Insurance Company. The Hon'ble Apex Court in a recent decision in *The Royal Sundaram Alliance Insurance Company Limited's case (supra)* has held that insurer cannot avoid liability merely because the trailer was not separately insured. The observation of the Hon'ble Apex Court are as under:-

10. In the present case, the admitted fact is that the incident occurred while a tractor which was insured with the Appellant was attached to a trailer and on the trailer a person was present who due to an unfortunate accident, fell off the trailer which was being pulled by/driven by/attached to the tractor, resulting in the death of such person.

11. Therefore, the undisputed position is that the trailer was being pulled by/attached to the tractor and then the trailer on which the deceased was present, turned turtle/upturned, resulting in his death. From the above, it is clear that the tractor which was insured was the reason for the accident. It is not the case that only because of some fault on the part of the trailer stand-alone, the accident happened. To explain, we may give an example: that had the trailer been stationary at a place and due to some reason, it overturned or a mishap happened, then without the trailer being specifically insured the Appellant would not be liable to pay, but here the main cause of the accident was the tractor which was pulling/driving/moving the trailer and in such sequence of events, the trailer upturned. Thus, the accident was caused by the tractor, as during the course of being driven/pulled by the tractor, the accident occurred.

12. Thus, the liability of the tractor/its insurer extended to the accident caused by the tractor resulting in the death of the deceased, through the trailer. This being the position in the present case, the principles emanating from the decisions where the Courts have held that the trailer has to be separately registered with the insurance



company to make it liable, would not be applicable. To that extent, the facts in the present case are clearly distinguishable from the ones cited by learned counsel for the appellant. The legislation i.e., the MV Act, being beneficial and welfare-oriented in nature [Ningamma v. United India Insurance Co. Ltd., (2009) 13 SCC 710; K Ramya v. National Insurance Co. Ltd., 2022 SCC Online SC 1338, and; Shivaleela v. Divisional Manager, United India Insurance Co. Ltd., 2025 SCC Online SC 563] and ultimately the root cause of the accident being the tractor, which was insured, this crucial fact cannot be lost sight of. For further clarification, we might illustrate: if an insured vehicle hits another vehicle which in turn hits a third vehicle, then for the entire chain of accidents, the liability would pass on to the vehicle which was the root cause of the accident because it is the result of the action in the same chain of events which cannot be segregated or compartmentalized. Moreover, this Court is duty-bound to be mindful of the ground realities of our nation and cannot let practicality be overshadowed by technicality.

(Emphasis supplied).

11.4 In view of the aforesaid discussion, this Court is of the considered opinion that accident took place with the tractor as such the trolley being attached with the tractor having been not insured cannot be a ground to exonerate the Insurance Company. The tractor was coming from the opposite side which hit the motorcyclist, the Insurance Company cannot be absolved of its liability on the ground that the trolley attached with the tractor was not specifically insured, specially in view of the fact that the occurrence did not take place with the trolley.

11.5 In view of the above discussion and the ratio of the decision in The Royal Sundaram Alliance Insurance Company Limited's case (supra), it is held that where a tractor attached with trolley going on a road causes an accident which took place with the involvement of the tractor, the Insurance Company cannot be exonerated on account of the reason that the trolley-trailer



was not separately insured. Accordingly this question is also answered in negative.

12 The learned counsel for the Insurance Company also placed reliance upon the statement of pillion rider of the motor-cyclist, Ved Pal (PW-2) who has stated that two trolleys were loaded with sugarcane which was attached with the tractor. The learned counsel further submitted that by attaching two trolleys with the tractor, the terms and conditions of the insurance policy were violated and moreover the trolleys were not insured.

12.1 The said argument raised on behalf of the Insurance Company does not hold any merits. It is not the case that the motor-cyclist was hit by the trolley. It is the specific case of the claimants that the motor-cyclist was hit by the tractor (not by the trolley). As per the First Information Report (Annexure-A-3), there is reference of only a tractor-trolley coming from the opposite side but there is no reference of two trolleys. Similarly in the examination-in-chief, the witness PW-2 has not given any reference of the second trolley. Only during the cross-examination, the witness has introduced the second trolley and such statement cannot be accepted without there being an explanation for such improvement. Moreover, neither in the claim petition the claimants have alleged nor in the written statement, the Insurance Company has taken such a plea that there were two trolleys attached with the tractor.

13. Consequently to the above discussion, this Court is of the considered opinion that the findings of the Tribunal passing the liability to the owner and driver are erroneous.

14. Accordingly, the present appeal is accepted, findings of the Tribunal on issue No.3 are set aside. The respondent Insurance Company is held liable to pay the compensation awarded by the Tribunal on the basis of the



contractual liability, though the liability of the driver, owner and Insurer is joint and several.

15. The amount awarded by the Tribunal shall attract interest @ 7.5% per annum from the date of filing of the claim petition till the realization of the entire amount. However, the claimant-appellants shall not be entitled to any interest for the period of delay in filing the main appeal.

16. In view of the decision by the Hon’ble Supreme Court in *Parminder Singh vs. Honey Goyal & Ors., 2025 INSC 361*, amount of compensation awarded by the Tribunal shall be transferred by respondent No.5-Insurance Company in the Bank Accounts of the claimant-appellant within a period of 06 weeks from today. The particulars of the bank account along with the requisite documents in support thereof shall be furnished by the claimant-appellant to respondent No.5-Insurance company within a period of two weeks from today and needful shall be done by respondent No.5-Insurance Company after verification thereof within a period of four weeks thereafter along with up-to-date interest. The compliance shall be reported by the Bank to the Tribunal concerned.

17. Pending miscellaneous application(s), if any, shall stand disposed of.

05.03.2026

Avtar

[HARPREET KAUR JEEWAN]
JUDGE

Whether speaking / reasoned :	Yes	No
Whether Reportable :	Yes	No