IN THE HIGH COURT OF PUNJAB & HARYANA
AT CHANDIGARH

New India Assurance Co. Ltd. ......Appellants

vs.

Sandeep Singh and ors. ......Respondents

Date of Reserve: 20.03.2026
Date of Pronouncement: 27.04.2026
Uploaded on:- 04.05.2026

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. Aseem Aggarwal, Advocate
for the appellant-Insurance Company.

Mr. Saurabh Kapoor, Advocate
for respondent No. 1.

Mr. Nitish Garg, Advocate
for respondent No. 3

* * *

<u>SUDEEPTI SHARMA J.</u>

1. The present appeal has been preferred by the appellant-Insurance Company against the award dated 19.07.2017 passed by the learned Motor Accident Claims Tribunal, Ludhiana in the claim petition filed under Section 166 of the Motor Vehicles Act, 1988 (for short, 'the Tribunal') on the ground that the liability to pay compensation to the tune of Rs. 3,74,837/- has been wrongly fixed upon the appellant-Insurance Company.

BRIEF FACTS OF THE CASE

2. Brief facts of the case are that on 06.04.2016 at 02:30 PM, claimant Sandeep Singh was coming on his electric scooter bearing no.9510 to his house from his work place to take lunch. When, claimant Sandeep Singh had reached near residences of Electricity Board and at that time, he was standing at extreme left side of the road. Then, one truck bearing no. PB-03V-9011, being driven by respondent no.1 Kulwant Singh came from behind rashly, negligently and at a very high speed. Then, the said truck had struck in the scooter of claimant Sandeep Singh, resulting of which, claimant Sandeep Singh and his scooter had fallen on the road, resulting of which, right arm of the claimant was fractured. Claimant Sandeep Singh also received various other injuries on different parts of his body. Then, respondent no.1 Kulwant Singh stopped his above said truck. In the meantime, several people had gathered at the spot. Then, respondent no.1 Kulwant Singh while taking advantage of the rush of people at the spot, slipped away from the place of accident after leaving above said truck. Then, father of claimant Sandeep Singh had come at the place of accident, who had arranged a private vehicle and took Sandeep Singh to Civil Hospital, Jagraon where he was treated and after then, he was referred to DMC&H, Ludhiana. FIR No. 73 dated 22.04.2016 under Sections 279/337/338 IPC was registered at P.S. Sidhwan Bet against respondent No. 1.

3. Upon notice of the claim petition, respondents appeared and admitted the factum of compensation.

4. From the pleadings of the parties, the following issues were framed by the learned Tribunal :-

> *1. Whether on 06.04.2016 at about 02:30 PM in the area of Bijali Ghar, Sidhwan Bet, Jagraon, claimant/injured Sandeep Singh son of Pal Singh had suffered injuries in a motor vehicular accident due to rash and negligent driving of truck bearing no. PB-03V-9011 being driven by respondent no.1 Kulwant Singh ? OPP2. If issue no.1 is proved, whether the claimant/injured is entitled to compensation, if so, from whom and to what extent? OPP3. Whether the respondent no.1 did not have valid and effective driving license at the time of alleged accident? OPR*
>
> *4. Whether the truck bearing no. PB-03V-9011 did not have the valid registration certificate, route permit and fitness certificate at the time of alleged accident? OPR*
>
> *5. Whether the claim petition is bad for mis-joinder and non-joinder of necessary parties? OPR*
>
> *6. Relief."*

5. After taking into consideration the pleadings and the evidence on record, the learned Tribunal awarded compensation to the claimants/respondent No. 1 to the tune of Rs.3,74,837/-. However, the appellant-Insurance Company was held liable to pay the compensation. Hence, the present appeal.

SUBMISSION OF LEARNED COUNSEL FOR THE PARTIES

6. Learned counsel appearing on behalf of the appellant–Insurance Company contends that the driver of the offending vehicle did not possess the valid and effective driving licence at the time of accident. He

furthermore contends that the offending vehicle was plied without the fitness certificate and valid route permit**.** Further that these are the violations in the terms of Insurance Policy. He therefore prays that the respondent-owner of the offending vehicle should be made liable to pay the compensation. He therefore prays that the present appeal be allowed**.**

7. Per contra, learned counsel for the claimant/respondent No. 1 contends that learned Tribunal has rightly decided the issue of liability. He furthermore contends that the compensation awarded is on the lower side and deserves to be enhanced. And that he has filed separate appeal bearing ***FAO No. 8722-2017 titled as Sandeep Singh vs. Kulwant Singh and others*** seeking enhancement of compensation. He therefore prays that the present appeal be dismissed.

8. Per contra, learned counsel for respondent No. 3 vehemently argues on the lines of award and prays for dismissal of the appeal.

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

10. Before proceeding further, it is apposite to reproduce the relevant portion of the award, which reads as under:-

> *"ISSUES NOS.3 and 4.*
>
> *17. Both these issues are taken up together being inter linked, inter connected and as to avoid repetition. Onus to prove these issues was upon the respondent no.3, but in order to discharge this onus, the respondent no.3 has not brought any cogent and sufficient evidence on record. Thus, the respondent no.3 has failed to prove that the respondent no.1 was not having valid and effective driving licence at the time of accident in question.*

The respondent no.3 has also failed to prove that truck bearing no. PB-03-V-9011 was not having valid registration certificate, route permit and fitness certificate at the time of accused in question. On the other hand, the respondents nos. 1 and 2 have placed copy of authorisation certificate of N.P. (Goods) of truck bearing no. PB-03-V-9011 Ex.R1, copy of policy schedule cum certificate of insurance of truck bearing no. PB-03-V-9011 Ex.R2, copy of driving licence of respondent no.1 Kulwant Singh Ex.R3, copy of registration certificate of truck bearing no. PB-03-V-9011 Ex.R4 on record. These documents have duly proved that respondent no.1 Kulwant Singh was having valid and effective driving licence at the time of accident in question and respondent no.2 Arshdeep Singh was having valid registration certificate, route permit and fitness certificate of truck bearing no. PB-03-V-9011 at the time of accused in question. Therefore, these issues nos.3 and 4 are hereby decided in favour of the claimant, the respondents nos.1 and 2 and against the respondent no.3."

ANALYSIS OF RECORD

11. A perusal of the award reveals that the learned Tribunal has correctly appreciated the evidence on record and has rightly determined the issue of liability, fastening the same upon the appellant–Insurance Company.

12. At the outset, it is apposite to reiterate the settled position of law that any alleged violation of the terms and conditions of an insurance policy must not only be specifically pleaded but also duly proved by the insurer by leading cogent and convincing evidence. The burden in this regard squarely rests upon the Insurance Company.

13. In the present case, it is evident from the record that the appellant–Insurance Company failed to adduce any evidence before the learned Tribunal to discharge the said burden. However, during the pendency of the appeal, an application seeking to place on record additional evidence i.e the driving licence of the driver of the offending vehicle and the fitness certificate of the offending vehicle, was allowed. Accordingly, this Court has taken the said additional evidence into consideration.

14. The primary contention raised on behalf of the appellant–Insurance Company is that respondent No.2 (driver) was not holding a valid and effective driving licence to drive a heavy motor vehicle, as he possessed a licence pertaining to Light Motor Vehicle (LMV) category. The said contention is devoid of merit.

15. It is a settled proposition of law, as laid down by the Hon'ble Supreme Court in ***Mukund Dewangan v. Oriental Insurance Company Limited, (2017) INSC 576***, that a person holding a licence with an endorsement to drive a transport vehicle is duly authorised to drive such category of vehicle, and no separate or additional endorsement for driving a heavy motor vehicle is required. The relevant extract reads as under:

> *"46. Section 10 of the Act requires a driver to hold a licence with respect to the class of vehicles and not with respect to the type of vehicles. In one class of vehicles, there may be different kinds of vehicles. If they fall in the same class of vehicles, no separate endorsement is required to drive such vehicles. As light motor vehicle includes transport vehicle also, a holder of light motor vehicle licence can drive all the vehicles of the class*

including transport vehicles. It was pre-amended position as well the post-amended position of Form 4 as amended on 28.3.2001. Any other interpretation would be repugnant to the definition of "light motor vehicle" in section 2(21) and the provisions of section 10(2)(d), Rule 8 of the Rules of 1989, other provisions and also the forms which are in tune with the provisions. Even otherwise the forms never intended to exclude transport vehicles from the category of 'light motor vehicles' and for light motor vehicle, the validity period of such licence hold good and apply for the transport vehicle of such class also and the expression in Section 10(2)(e) of the Act `Transport Vehicle' would include medium goods vehicle, medium passenger motor vehicle, heavy goods vehicle, heavy passenger motor vehicle which earlier found place in section 10(2)(e) to (h) and our conclusion is fortified by the syllabus and rules which we have discussed. Thus we answer the questions which are referred to us thus:

> *(i) 'Light motor vehicle' as defined in section 2(21) of the Act would include a transport vehicle as per the weight prescribed in section 2(21) read with section 2(15) and 2(48). Such transport vehicles are not excluded from the definition of the light motor vehicle by virtue of Amendment Act No.54/1994.*
>
> *(ii) A transport vehicle and omnibus, the gross vehicle weight of either of which does not exceed 7500 kg. would be a light motor vehicle and also motor car or tractor or a road roller, 'unladen weight' of which does not exceed 7500 kg. and holder of a driving licence to drive class of "light motor vehicle" as provided in section 10(2)(d) is*

competent to drive a transport vehicle or omnibus, the gross vehicle weight of which does not exceed 7500 kg. or a motor car or tractor or road-roller, the "unladen weight" of which does not exceed 7500 kg. That is to say, no separate endorsement on the licence is required to drive a transport vehicle of light motor vehicle class as enumerated above. A licence issued under section 10(2)(d) continues to be valid after Amendment Act 54/1994 and 28.3.2001 in the form.

(iii) The effect of the amendment made by virtue of Act No.54/1994 w.e.f. 14.11.1994 while substituting clauses (e) to (h) of section 10(2) which contained "medium goods vehicle" in section 10(2)(e), medium passenger motor vehicle in section 10(2)(f), heavy goods vehicle in section 10(2)(g) and "heavy passenger motor vehicle" in section 10(2)(h) with expression 'transport vehicle' as substituted in section 10(2)(e) related only to the aforesaid substituted classes only. It does not exclude transport vehicle, from the purview of section 10(2)(d) and section 2(41) of the Act i.e. light motor vehicle.

(iv) The effect of amendment of Form 4 by insertion of "transport vehicle" is related only to the categories which were substituted in the year 1994 and the procedure to obtain driving licence for transport vehicle of class of "light motor vehicle" continues to be the same as it was and has not been changed and there is no requirement to obtain separate endorsement to drive transport vehicle,

> *and if a driver is holding licence to drive light motor vehicle, he can drive transport vehicle of such class without any endorsement to that effect.*

16. The aforesaid legal position has been subsequently reiterated and affirmed by the ***Constitutional Bench*** of the Hon'ble Supreme Court in ***M/s Bajaj Allianz General Insurance Co. Ltd. v. Rambha Devi, (2024) INSC 840***.

17. Adverting to the facts of the present case, the driving licence placed on record clearly demonstrates that the driver was authorised to drive a transport vehicle up to 10.08.2017. Admittedly, the accident in question occurred on 06.04.2016. Thus, on the date of the accident, the driver was holding a valid and effective driving licence. Consequently, the contention raised by the appellant in this regard is liable to be rejected.

18. The next limb of argument advanced by the appellant–Insurance Company is that the offending vehicle was being plied without a valid fitness certificate, thereby constituting a breach of the terms and conditions of the insurance policy. This contention also does not merit acceptance.

19. A perusal of the fitness certificate placed on record reveals that the same was issued on 20.04.2015 and remained valid up to 19.04.2016. Since the accident occurred on 06.04.2016, the fitness certificate was very much in force on the date of the accident. Therefore, no violation of the policy conditions can be said to have been established on this count.

20. In view of the foregoing discussion, this Court finds no infirmity in the findings recorded by the learned Tribunal fastening liability

upon the appellant–Insurance Company. The conclusions arrived at by the Tribunal are based on proper appreciation of evidence and settled principles of law and, thus, do not warrant any interference by this Court.

21. Accordingly, the present appeal, being devoid of merit, is ***dismissed***.

(SUDEEPTI SHARMA)
JUDGE

27.04.2026
Gaurav Arora

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