$~15 & 16

* **IN THE HIGH COURT OF DELHI AT NEW DELHI**

\+ MAC.APP. 395/2019, CM APPL. 13319/2019, CM APPL. 13320/2019 & CM APPL. 13321/2019

TEK SINGH .....Appellant

Through: Mr. Moksh Arora, Advocate.

versus

NAVRATAN & ORS .....Respondents

Through: Ms. Seema Gulati, Advocate for R-3.

\+ MAC.APP. 407/2019, CM APPL. 13931/2019, CM APPL. 13932/2019 & CM APPL. 13933/2019.

TEK SINGH .....Appellant

Through: Mr. Moksh Arora, Advocate.

versus

SANDEEP & ORS (NATIONAL INSURANCE COMPANY LTD) .....Respondent

Through: Ms. Seema Gulati, Advocate for R-3.

CORAM:
HON'BLE MR. JUSTICE ANISH DAYAL

O R D E R

% 29.01.2026

1. Counsel for appellant, *Mr. Moksh Aroa*, states that the licences which was presented by driver named *Tejpal* [*respondent no.2 herein*] before the Motor Accident Claim Tribunal [‘***MACT***’], upon verification, turned out to be non-existent.

2. Yet another licence was subsequently produced by the driver (“2nd Licence”), which could not be verified during the proceedings before the MACT.

3. Accordingly, the MACT, in its award at *paragraph 74*, stated that the

burden was upon the driver to prove the driving license by leading evidence from the Transport Authority, and that such burden was not discharged.

4. Consequently, the right of recovery was granted to the Insurance Company against the owner of the offending vehicle.

5. *Mr. Arora* points out that while the original license was produced and exhibited as **Ex. R1W1/1** which forms part of the TCR and was valid, the verification which negated is exhibited as **Ex. R3W1/2**.

6. *Mr. Arora* states that verification of the allegedly valid license/2nd Licence, was obtained from the *Regional Transport Office* (*RTO), Nagaland,* and has been appended as part of the appeal at **Annexure A-12** which is extracted for ready reference:

ANNEXURE- A12

141

GOVERNMENT OF NAGALAND
MOTOR VEHICLES DEPARTMENT
OFFICE OF THE DISTRICT TRANSPORT OFFICER
TUENSANG: NAGALAND-798612.

NO.DTO-T/MV/21/08/ 3225

Dated: 05-08-2016.

To,
Tej Pal,
VPO- Bheunkhari,
Teh- Nalagarh, Dist-Solan
Himachal Pradesh.

Sub: VERIFICATION OF DRIVING LICENSE.

Sir,
With reference to the subject cited above, I am to furnish herewith the particulars of the Driving License No. NL-0320100008186 per record of the undersigned office as given below:

Name	: Tej Pal
Father's name	: Sohan Lal
Date Of Birth	: 06-12-1986
Address	:Tuensang Town, Nagaland-798612
Date of issue	: 09-07-2010
Valid up to	: 08-12-2016
Authorised to drive	: MC, LMV, MMV, HMV
Endorsement	: MMV, HMV on 09-12-2013
Old DL No.	: 40948/TV/T/2010
Issuing authority	: District Transport Officer, Tuensang, Nagaland.

Yours' Faithfully,

District Transport Officer
Tuensang, Nagaland.
District Transport Officer
Tuensang : Nagaland

7. In these circumstances, the matter may be required to be re-considered *qua* the rights of recovery which has been granted to the respondent/Insurance Company. He further states that, in any event, even if the valid license was not considered, he would be protected from the right of recovery in terms of the principle enunciated by Supreme Court in ***Rishi Pal Singh v New India Assurance Co. Ltd and Ors***, 2022 SCC OnLine SC 2119. Relevant paragraphs are extracted as under:

> "***7.*** *If the owner has stated that driver had produced the driving license from Nagaland but no such license was produced on record, it is obviously a mistake on the part of the owner. However, such aspect cannot be used to grant liberty to the Insurance Company to recover the amount from the owner when the driving license actually produced by the claimant themselves was from Una, Himachal Pradesh. It may be stated that falsus in uno, falsus in omnibus is not the principle applicable in India. Therefore, even if a part of the statement that the driver has produced the license from Nagaland is not correct, it is wholly inconsequential.*
>
> ***8.*** *To appreciate the contention of the appellant, the observations of this Court in Lehru (supra) have been reproduced as under:*
>
> > *"20. When an owner is hiring a driver he will therefore have to check whether the driver has a driving licence. If the driver produces a driving licence which on the face of it looks genuine, the owner is not expected to find out whether the licence has in fact been issued by a competent authority or not. The owner would then take the test of the driver. If he finds that the driver is competent to drive the vehicle, he will hire the driver. We find it rather strange that insurance companies expect owners to make enquiries with RTOs, which are spread all over the country, whether the driving licence shown to them is valid or not. Thus where the owner*

has satisfied himself that the driver has a licence and is driving competently there would be no breach of Section 149(2)(a)(ii). The insurance company would not then be absolved of liability. If it ultimately turns out that the licence was fake, the insurance company would continue to remain liable unless they prove that the owner/insured was aware or had noticed that the licence was fake and still permitted that person to drive. More importantly, even in such a case the insurance company would remain liable to the innocent third party, but it may be able to recover from the insured. This is the law which has been laid down in Skandia [(1987) 2 SCC 654], Sohan Lal Passi [(1996) 5 SCC 21 : 1996 SCC (Cri) 871] and Kamla [(2001) 4 SCC 342 : 2001 SCC (Cri) 701] cases. We are in full agreement with the views expressed therein and see no reason to take a different view."

9. *The issue has been examined by a larger Bench in Swaran Singh (supra) wherein it was argued that the observations in Lehru were in conflict with the earlier judgment in New India Assurance Co. v. Kamla*[4]*. This Court held as under:*

"92. It may be true as has been contended on behalf of the petitioner that a fake or forged licence is as good as no licence but the question herein, as noticed hereinbefore, is whether the insurer must prove that the owner was guilty of the wilful breach of the conditions of the insurance policy or the contract of insurance. In Lehru case [(2003) 3 SCC 338 : 2003 SCC (Cri) 614] the matter has been considered in some detail. We are in general agreement with the approach of the Bench but we intend to point out that the observations made therein must be understood to have been made in the light of the requirements of the law in terms whereof the insurer is to establish wilful breach on the part of the insured and not for the

purpose of its disentitlement from raising any defence or for the owners to be absolved from any liability whatsoever. We would be dealing in some detail with this aspect of the matter a little later.

xxxxxxxxx

99. So far as the purported conflict in the judgments of Kamla [(2001) 4 SCC 342 : 2001 SCC (Cri) 701] and Lehru [(2003) 3 SCC 338 : 2003 SCC (Cri) 614] is concerned, we may wish to point out that the defence to the effect that the licence held by the person driving the vehicle was a fake one, would be available to the insurance companies, but whether despite the same, the plea of default on the part of the owner has been established or not would be a question which will have to be determined in each case.

100. This Court, however, in Lehru [(2003) 3 SCC 338 : 2003 SCC (Cri) 614] must not be read to mean that an owner of a vehicle can under no circumstances have any duty to make any enquiry in this respect. The same, however, would again be a question which would arise for consideration in each individual case."

8. *Ms. Seema Gultai*, appearing on behalf of respondent/Insurance Company, however, adverts to ***Nishant Singh and Ors v Oriental Insurance Company Limited***, (2018) 6 SCC 765, to contend that the collision of the car was from the rear and that the negligence of the driver could not be disputed. Relevant paragraphs are extracted as under:

"***12.*** *The finding so recorded by the Tribunal has been affirmed by the High Court, by observing that the evidence was clearly indicative of the fact that the Maruti car was being driven in a rash and negligent manner, which was the cause for accident of this nature and resulting in death of one of the passengers in the Maruti car. The Maruti car was driven by none other than PW 2 Manjeet Singh. In his* *evidence, he has admitted that the subject truck was running ahead of the Maruti car for quite some time about one kilometre and at the time of accident, the distance between the truck and Maruti car was only 10-15 ft. He has also admitted that the law mandates maintaining sufficient distance between two vehicles running in the same direction. It is also not in dispute that the road on which the two vehicles were moving was only about 14 ft wide. It is unfathomable that on such a narrow road, the subject truck would move at a high speed as alleged. In any case, the Maruti car which was following the truck was expected to maintain a safe distance, as envisaged in Regulation 23 of the Rules of the Road Regulations, 1989, which reads thus:*

> *"**23. Distance from vehicles in front**.—The driver of a motor vehicle moving behind another vehicle shall keep at a sufficient distance from that other vehicle to avoid collision if the vehicle in front should suddenly slow down or stop."*

The expression "sufficient distance" has not been defined in the Regulations or elsewhere. The thumb rule of sufficient distance is at least a safe distance of two to three seconds gap in ideal conditions to avert collision and to allow the following driver time to respond. The distance of 10-15 ft between the truck and Maruti car was certainly not a safe distance for which the driver of the Maruti car must take the blame. It must necessarily follow that the finding on the issue under consideration ought to be against the claimants.

***13.** The Tribunal also noted that there was no evidence on record to indicate that the driver of the truck suddenly applied his brake in the middle of the road. Further, the finding on Issue 1 recorded by the Tribunal is that there was no evidence regarding exact place of occurrence of accident and having taken survey. Therefore, the issue under consideration was answered against the appellant claimants, namely, that the subject truck was not driven rashly and negligently by the truck driver nor had he brought the truck in the centre of the road at the right side or applied sudden brake as being the cause of the accident.*

Being a concurrent finding of fact and a possible view, needs no interference.

***14.** The next question is whether the Tribunal should have at least answered the issue of contributory negligence of the truck driver in favour of the appellant claimants? The question of contributory negligence would arise when both parties are involved in the accident due to rash and negligent driving. In a case such as the present one, when the Maruti car was following the truck and no fault can be attributed to the truck driver, the blame must rest on the driver of the Maruti car for having driven his vehicle rashly and negligently. The High Court has justly taken note of the fact that the driver and owner of the Maruti car, as well as insurer of that vehicle, had not been impleaded as parties to the claim petition. The Tribunal has also taken note of the fact that in all probability, the driver and owner of the Maruti car were not made party being close relatives of the appellants. In such a situation, the issue of contributory negligence cannot be taken forward."*

9. She further adverts to ***Beli Ram v Rajinder Kumar & Anr***, 2022 SCC OnLine SC 769, to submit that the Insurance Company has a right of recovery if it is able to establish that there has been a breach of conditions of the insurance policy, *inter alia,* on the ground of absence of a valid driving license. Relevant paragraphs are extracted as under:

*"**14.** We are of the view that once the basic care of verifying the driving licence has to be taken by the employer, though a detailed enquiry may not be necessary, the owner of the vehicle would know the validity of the driving licence as is set out in the licence itself. It cannot be said that thereafter he can wash his hands off the responsibility of not checking up whether the driver has renewed the licence. It is not a case where a licence has not been renewed for a short period of time, say a month, as was considered in Swaran Singh [National Insurance Co. Ltd. v. Swaran Singh, (2004)*

3 SCC 297 : 2004 SCC (Cri) 733] where the benefit was given to a third party by burdening the insurance company. The licence in the instant case, has not been renewed for a period of three years and that too in respect of commercial vehicle like a truck. The appellant showed gross negligence in verifying the same.

…………

***17.** The Delhi High Court in Tata AIG General Insurance Co. Ltd. v. Akansha [Tata AIG General Insurance Co. Ltd. v. Akansha, 2015 SCC OnLine Del 6758 : (2015) 2 TAC 52] found that the driving licence having expired led to the natural finding that there was no valid driving licence on the date of the accident. The initial onus was discharged by the insurance company in view of the licence not being valid on the date of the accident. The onus, thereafter, shifted to the owner/insured to prove that he had taken sufficient steps to ensure that there was no breach of the terms and conditions of the insurance policy. Since no evidence had been led in this behalf, a presumption was drawn that there was wilful and conscious breach of the terms and conditions of the insurance policy.*

***18.** The Allahabad High Court in Oriental Insurance Co. Ltd. v. Manoj Kumar [Oriental Insurance Co. Ltd. v. Manoj Kumar, 2015 SCC OnLine All 692 : (2015) 111 ALR 275 (authored by Krishna Murari, J., as he then was)] again dealt with the case of an expired driving licence. The endeavour to rely on the principle set forth in a fake licence case was held not applicable in the case of an expired licence since the owner was supposed to be aware that the driving licence of the driver had expired and, thus, it was held that it was the duty of the owner to have ensured that the driver gets the licence renewed within time. In the absence of a valid driving licence, the vehicle was being driven in breach of the condition of the policy, requiring the vehicle to be driven by a person who is duly licensed, and thus, there was breach of Section 149(2)(a)(ii) of the MV Act, the consequence being that the insurance company could not he held liable.*

__19.__ The last judgment is of the Himachal Pradesh High Court in National Insurance Co. Ltd. v. Hem Raj [National Insurance Co. Ltd. v. Hem Raj, 2011 SCC OnLine HP 4735 : 2012 ACJ 1891 (authored by Deepak Gupta, J., as he then was)] . This was, once again, a case of an originally valid licence, which had expired, there was no question of a fake licence. It was opined that the conclusions to be drawn from the observations of the judgment in Swaran Singh case [National Insurance Co. Ltd. v. Swaran Singh, (2004) 3 SCC 297 : 2004 SCC (Cri) 733] of this Court, were that the insurance company can defend an action on the ground that the driver was not duly licensed on the date of the accident i.e. an expired licence having not been renewed within thirty (30) days of the expiry of the licence as provided in Sections 14 and 15 of the MV Act. In this context it was observed that Swaran Singh case [National Insurance Co. Ltd. v. Swaran Singh, (2004) 3 SCC 297 : 2004 SCC (Cri) 733] did not deal with the consequences if the licence is not renewed within the period of thirty (30) days. If the driving licence is not renewed within thirty (30) days, it was held, the driver neither had an effective driving licence nor can he said to be duly licenced. The conclusion, thus, was that the driver, who permits his licence to expire and does not get it renewed till after the accident, cannot claim that it should be deemed that the licence is renewed retrospectively.

__20.__ The learned Judge in National Insurance Co. Ltd. v. Hem Raj [National Insurance Co. Ltd. v. Hem Raj, 2011 SCC OnLine HP 4735 : 2012 ACJ 1891 (authored by Deepak Gupta, J., as he then was)] debated the question of the consequences of the MV Act being a beneficial piece of legislation. Thus, if two interpretations were possible, it was opined that the one which is in favour of the claimants should be given, but violence should not be done to the clear and plain language of the statute. Thus, while protecting the rights of the claimants by asking the insurance company to deposit the amount, the recovery of the same from the insured would follow as the sympathy can only be for the *victim of the accident. The right which has to be protected, is of the victim and not the owner of the vehicle. It was, thus, observed in para 18 as under : (Hem Raj case [National Insurance Co. Ltd. v. Hem Raj, 2011 SCC OnLine HP 4735 : 2012 ACJ 1891 (authored by Deepak Gupta, J., as he then was)] , SCC OnLine HP)*

> *"18. When an employer employees a driver, it is his duty to check that the driver is duly licensed to drive the vehicle. Section 5 of the Motor Vehicles Act provides that no owner or person incharge of a motor vehicle shall cause or permit any person to drive the vehicle if he does not fulfil the requirements of Sections 3 and 4 of the Motor Vehicles Act. The owner must show that he has verified the licence. He must also take reasonable care to see that his employee gets his licence renewed within time. In my opinion, it is no defence for the owner to plead that he forgot that the driving licence of his employee had to be renewed. A person when he hands his motor vehicle to a driver owes some responsibility to society at large. Lives of innocent people are put to risk in case the vehicle is handed over to a person not duly licensed. Therefore, there must be some evidence to show that the owner had either checked the driving licence or had given instructions to his driver to get his driving licence renewed on expiry thereof. In the present case, no such evidence has been led. In view of the above discussion, I am clearly of the view that there was a breach of the terms of the policy and the Insurance Company could not have been held liable to satisfy the claim."*

………

***22.** When we turn to the facts of the present case there is almost an identical situation where the appellant has permitted to let the first respondent driver drive the truck with an expired licence for almost three (3) years. It is clearly a case of lack of reasonable care to see that the employee gets his licence renewed, further, if the original licence is verified, certainly the employer would know when*

> *the licence expires. And here it was a commercial vehicle being a truck. The appellant has to, thus, bear responsibility and consequent liability of permitting the driver to drive with an expired licence over a period of three (3) years. The only thing we note is that fortunately there has been no accident with a third party claimant but the person who has caused the sufferance and sufferer are one and the same person i.e. the first respondent driver. We are, however, dealing with the determination under the Compensation Act and those provisions are for the benefit of the workmen like the first respondent, even though he may be at fault, by determining a small amount payable to provide succor at the relevant stage when the larger issues could be debated in other proceedings.*"

10. In these circumstances, it will be appropriate for this Court to remand these matters back to the MACT, to consider the aspect of verification obtained for 2nd Licence/license bearing no. *NL 0320100008186* and to consider respective submissions of parties.

11. Accordingly, these matters are remanded back only for the purposes of assessing the right of recovery.

12. Accordingly, these appeals stand disposed of with above directions.

13. Pending applications (if any) are rendered as infructuous.

14. List before the MACT on 12th February 2026.

15. Order be uploaded on the website of this Court.

ANISH DAYAL, J

JANUARY 29, 2026/RK/tk