IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH

FAO No. 946 of 1995 (O&M)
Date of decision: January 13, 2016

National Insurance Co. Ltd

........Petitioner

VS.

Smt. Parsin Kaur and others

.........Respondents

CORAM: HON'BLE MR.JUSTICE K.KANNAN

Present: Mr. V.Ramswaroop, Advocate
for the appellant.

Mr. Harminder Singh, Advocate
for respondent No. 5.

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1. **Whether Reporters of local papers may be allowed to see the judgment?**
2. **To be referred to the Reporters or not?**
3. **Whether the judgment should be reported in the Digest?**

K.KANNAN,J (Oral)

1. The Insurance company is in appeal to challenge the liability cast on it on the proof that the driver's driving licence was proved to be forged one by examining an official from the D.T.O office. The owner countered the plea by contention that he acted on the driving licence produced before him believing to be true and that he also gathered information that he was working with one Dharam Singh earlier and he was driving at that time the vehicle of the Dharam Singh. Dharam Singh was also examined as witness who stated that was working as driver and he had seen his licence. If the issue put to test is whether there was any breach

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of terms of the policy, it shall be examined from the point of view whether there was any material for the owner to act on the representation made by the driver on his driving ability. If the owner himself has not participated in forging the driving licence and he acted on the representation of the driver on the production of his driving licence without knowing that it was forged one, that cannot be said to be a breach of terms of policy to exonerate the Insurance company. The Supreme Court has held in **Pepsu Road Transport Corporation Vs. National Insurance Co. 2013 (10) SCC 217** held that the owner is not even expected to cross verify with the issuing office of the licence and it is sufficient that there was bona fide expressed and proved at the trial.

2. The Tribunal has, therefore, taken a correct decision casting the liability of the insurer.

3. The appeal by the Insurance Company is dismissed. However the Insurance Company shall have the right to recovery against the driver.

JANUARY 13, 2016 **(K.KANNAN)**
Rajeev **JUDGE**

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