

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

**FAO No. 4337 of 2004 (O&M)
Date of decision: 19.01.2016**

National Insurance Company Limited

... Appellant

versus

Smt. Darshana Devi and others

.... Respondents

CORAM: HON'BLE MR. JUSTICE K. KANNAN

Present: Mr. R.C. Gupta, Advocate for the appellant.

K.Kannan, J. (ORAL)

The appeal by the Insurance Company is on the issue of liability. The contention by the counsel was that there was a geographical limitation of the cover of insurance in its restriction to its applicability within the Municipal limits of District Hisar whereas the vehicle was in Sirsa District and the other contention is that the driver did not have the valid driving licence. Both these are sure violations which will enable the Insurance Company to deny indemnity but as far as the claim where the 3rd party is concerned, the liability cannot be denied in the light of the language employed under Section 149 (4) & (5) and in the manner interpreted by Hon'ble the Supreme Court in New India Assurance Co., Shimla Vs. Kamla and others, 2001 4 SCC 342. I will not therefore, find any error in the order of the Tribunal that has made the insurer liable for violation of the terms of policy provided to the insurer a right of recovery. The award is maintained and the appeal is dismissed.

**(K.KANNAN)
JUDGE**

19.01.2016

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