

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

**F.A.O.NO. 2277 OF 2005**

**Date of decision:31<sup>st</sup> August, 2010**

**The Oriental Insurance Company Limited, having its  
Regional Office, Sector 17, Chandigarh through its Deputy  
Manager.**

**.....Appellant**

**Versus**

**Smt. Suresh and others**

**.....Respondents**

**BEFORE: HON'BLE MR. JUSTICE K.KANNAN**

**Present:** Mr. Sanjiv Pabbi, Advocate,  
for the appellant.

Mr. Kulvir Narwal, Advocate,  
for the respondents.

- 1.** Whether Reporters of local papers may be allowed to see the judgment? Yes/No
- 2.** To be referred to the Reporters or not?Yes/No
- 3.** Whether the judgment should be reported in the Digest? Yes/No

**K.Kannan, J.(Oral)**

**1.** The Insurance Company has challenged the award on the ground that there was no liability to satisfy the claim in view of the fact that the driver did not have a valid and effective driving licence. The vehicle involved in the accident was admittedly a heavy transport vehicle and the driver produced a licence that bore a transport vehicle endorsement on 10.10.2001. The Insurance Company produced the register and examined a clerk from the Licencing Authority, Mathura. The Register produced did not contain a reference to an entry of the driver having a transport vehicle endorsement. It is not too clear from

the order as to what other register could have been maintained by the authority apart from the original register of issue. The Tribunal reasoned that they did not make relevant entries in the register by their own default and held that the licence produced by the driver was enough to show that he had a valid driving licence. Though I do not share the view of the Tribunal to say that there had been any lapse on the part of the Licencing Authority, the insured's right of indemnity shall obtain by the fact that the owner had given evidence that he had seen the licence and was satisfied with the licence which the driver had produced and he was convinced that the driver had the requisite driving licence. This in my view is sufficient to protect him, for defence under Section 149 of the Motor Vehicles Act contemplates breach of the term of the policy by the owner of the vehicle. In this case there had been valid justification for the belief that he had and the insurer is bound to, therefore, satisfy the award and also indemnify the insured.

**2.** The award is confirmed and the appeal is dismissed.

**[K.KANNAN]  
JUDGE**

**31<sup>st</sup> August, 2010**

Shivani Kaushik