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CMA No. 2266 of 2026

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 07-08-2026

CORAM

THE HONOURABLE MR JUSTICE N. ANAND VENKATESH

**CMA No. 2266 of 2026
and CMP No. 17362 of 2026**

P.Murugan

Appellant(s)

Vs

1. M.Mohan

2.R Chittaiyan

3.Sri Manoj Kumar Dugar

Respondent(s)

PRAYER Civil Miscellaneous Appeal filed under Section 173 of the Motor Vehicles Act, against the Judgment and Decree dated 24.01.2023 made in MCOP.No.649 of 2019 on the file of the Motor Accident Claims Tribunal(Special Subordinate Judge Court), Erode.

For Appellant(s): Mr.A.M.Venkatakrisnan for
M/s.Rajendra Law Office LLP

For Respondent(s): Mr.G.Adithyaraj

ORDER

This appeal has been filed against the Award passed by the Motor Accident Claims Tribunal/Special Subordinate Judge, Erode in MCOP No.649



of 2019 dated 24.01.2023, wherein the appellant is aggrieved by the fact that the liability has been fastened against the appellant and the appellant has been given the liberty to recover the compensation from the transferee, viz., the 3rd respondent in this appeal.

2.The 1st respondent is the claimant. The case of the claimant is that on 28.06.2019, the claimant was riding his car at Oothukuli-Tiruppur Road and at about 06.45 p.m., the offending vehicle came in the opposite direction and it was driven in a rash and negligent manner and it dashed on the car in which the claimant was traveling. As a result of which, the claimant sustained grievous injuries. It is under these circumstances, the claim petition came to be filed before the Tribunal.

3.The appellant and the 3rd respondent did not contest the case and were set ex-parte before the Tribunal.

4.The Tribunal on considering the facts and circumstances of the case and on appreciation of oral and documentary evidence, came to a conclusion that the



accident had taken place only due to the rash and negligent driving on the part of the driver of the offending vehicle.

5.The Tribunal thereafter, on considering the evidence, came to a conclusion that the registration of the vehicle stands in the name of the appellant and there was no material to show that the vehicle was transferred/sold in favour of the 3rd respondent and therefore, the appellant being the registered owner of the vehicle was made liable to pay the compensation to the claimant and liberty was also given to the appellant to recover the same from the 3rd respondent.

6.Having rendered the above finding, the Tribunal fixed the total compensation at Rs.17,54,000/- under various heads as follows:

Compensation awarded under the head	Amount (in Rs.)
Loss of Earnings	36,000
Transport to Hospital	10,000
Extra Nourishment	10,000
Attender Charges	Nil
Future Medical Expenses	Nil
Damages for Clothes and Articles	3,000
Medical Expenses	13,20,000



Pain and Sufferings	1,00,000
Permanent Disability and Loss of Earning Power	2,75,000
Total	17,54,000

7.The above compensation was directed to be paid along with interest at the rate of 7.5% per annum.

8.Aggrieved by the same, the present appeal has been filed before this Court.

9.Heard the learned counsel for the appellant and the learned counsel appearing on behalf of the respondents.

10.The main ground that was urged by the learned counsel for the appellant is that he had purchased the vehicle by availing loan from the State Bank of India and since the loan amount was not repaid back, the vehicle was seized and it was sold in auction and that the appellant was not having the vehicle from the year 2009 and whereas, for the accident caused by the 3rd respondent in the year 2019, the liability has been fastened against the appellant and that the same is not sustainable. The learned counsel for the appellant to



substantiate his submission, relied upon the judgment of the Division Bench in ***ICICI Bank Limited vs. M.Dhanalakshmi and others*** reported in **2026 (1) TNMAC 316**.

11.The Tribunal while dealing with the above issue took into consideration the definition of term ‘Owner’ under Sections 157 and 2(30) of the Motor Vehicles Act and also considered the scope of Section 157(1) of the Act. The Tribunal also took into consideration the various judgments of the Apex Court and rendered a categoric finding that even though the appellant claims to have sold the vehicle in favour of the 3rd respondent, the Registration Certificate stood in the name of the appellant and there was no effective change in the ownership of the vehicle and therefore, it is only the appellant who has to pay the compensation. The Tribunal also gave liberty to that appellant to recover the compensation amount paid from the 3rd respondent.

12.The judgment that was cited by the learned counsel for the appellant will not apply to the facts of the present case. That was a case where the concerned bank which gave the loan was agitating the dispute before the Court. The Division Bench held that it was the duty of the bank which had repossessed the vehicle to take further steps to change the ownership of the car and the bank cannot be heard to take such a technical plea that the registration of the vehicle



had not been changed in spite of repossessing the car and bringing the car for the auction sale.

13. In the considered view of this Court, the finding rendered by the Tribunal cannot be held to be perverse. The Tribunal has in fact followed the settled position of law and rendered this finding. The grievance that has been expressed by the appellant may be genuine to the effect that the car was seized as early as in the year 2009 and it was brought for sale by the bank and it was purchased by the 3rd respondent in the auction sale and therefore, the appellant did not have anything to do with the car that was involved in the accident. However, the Court is dealing with the claim made by the third party who has nothing to do with any of the transaction and who has suffered a grievous injury. Hence, when the Court decides the issue of payment of compensation to a third party, the Court will only go by the person in whose name the vehicle stands. This is in view of the fact that the third party should not be made to run from pillar to post to get the compensation just because there is dispute regarding the ownership between the erstwhile owner and the subsequent owner. To top it up, the appellant has not even contested the case before the Tribunal and was set ex-parte.



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14. In the light of the above discussion, this Court is not inclined to interfere with the Award passed by the Tribunal. However, considering the grievance expressed by the appellant, it is always left open to the appellant to workout his remedy against the bank and also to recover the compensation amount along with interest from the 3rd respondent.

15. In the result, this Civil Miscellaneous Appeal is dismissed with a direction to the appellant to deposit the entire compensation amount along with interest as ordered by the Tribunal, within a period of six weeks from the date of receipt of copy of this order. On such deposit, the 1st respondent/claimant is entitled to withdraw the entire amount with accrued interest.

07-08-2026

Index: Yes/No
Speaking/Non-speaking order
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Neutral Citation: Yes/No
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CMA No. 2266 of 2026

N.ANAND VENKATESH J.

SSR

To

The Motor Accident Claims Tribunal(Special Subordinate Judge Court), Erode.

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