



2026:DHC:5713



\$~45

* IN THE HIGH COURT OF DELHI AT NEW DELHI

% Date of decision: 17th July 2026+ MAC.APP. 254/2020 & CM APPL. 31557/2020 CM APPL.
31559/2020 CM APPL. 43573/2023

M/S MANGE RAM ENTERPRISES PVT. LTD. Appellant

Through: Mr. B.S. Jakhar, Mr. Vikram Singh
Jakhar, Ms. Bhawna Jakhar, Mr.
Neeraj Jakhar, Ms. Nidhi Jakhar, Mr.
Shubham Dabas, Mr. Viraj Rathee,
Mr. Harris Mudgal and Ms. Meenu
Sindh, Advs.

versus

PUSHPA DEVI & ORS. Respondents

Through: Mr. S.N. Parashar and Mr. Ritik
Singh, Advs.

CORAM:

HON'BLE MR. JUSTICE ANISH DAYAL

JUDGMENTANISH DAYAL, J (ORAL)

1. This appeal has been filed by appellant/*Hyundai agency* assailing impugned judgment and award dated 03rd March 2020, passed by the Motor Accident Claims Tribunal, Patiala House Courts, New Delhi [*MACT/Tribunal*], in *MACP No. 99A/2016*, whereby compensation of *Rs.13,92,173/-* along with interest at the rate of 9% per annum was awarded [*impugned award*]. *Vide* impugned award, the MACT fastened joint and several liability upon appellant/*Hyundai agency* and respondent no. 5/*Shree*



2026:DHC:5713



Chand Sharma.

2. The present appeal arises out of an accident which occurred on 03rd March 2020. The offending vehicle was a *Santro car* bearing registration No. *DL-4CK-0078* [hereinafter '*offending vehicle*'], which led to the death of *Vinod Kumar*. The claim for compensation was filed by his legal representatives. The offending vehicle was registered in the name of *Rahul Sharma* [*respondent no.6 herein*], and was found to have been driven by respondent no. 5/*Shree Chand Sharma* on the date of the accident. Subsequently towards the final leg of the proceedings, it transpired that respondent no. 5/*Shree Chand Sharma* claimed that he had been told to drive the offending vehicle by appellant/*Hyundai agency*, and respondent no. 6/*Rahul Sharma* claimed that he had sold the offending vehicle to appellant/*Hyundai agency*, in exchange for another vehicle, on 18th February 2014.

3. On the issue of liability, the Tribunal examined the testimonies and, thereafter, concluded that appellant/*Hyundai agency* had failed to prove on record, the transaction of sale of the offending vehicle to respondent no. 5/*Shree Chand Sharma*, though the sale order and delivery receipt had been placed on record. It further noted that said documents were not put to respondent no. 5/*Shree Chand Sharma* during his cross-examination, and no request was ever made to recall **R1W1** [*Shree Chand Sharma*] for further cross-examination. The MACT, therefore, held that respondent no. 5/*Shree Chand Sharma*, being the ultimate purchaser, was liable in his capacity as the driver and principal tortfeasor. The appellant/*Hyundai agency* was also held to be jointly liable in its capacity as the purchaser and the possessor of the



2026:DHC:5713



offending vehicle. Accordingly, the liability was held to be joint and several.

4. Respondent no. 5/*Shree Chand Sharma* filed a separate appeal before this Court, being *MAC.APP. 116/2022*, which was titled as “*Shree Chand Sharma v. Pushpa Devi & Ors.*”. During the course of the proceedings in the aforesaid appeal, respondent no. 5/*Shree Chand Sharma* and claimants entered into a settlement *vide* Memorandum of Understanding [*MoU*] dated 12th November 2025, for a sum of *Rs.5,50,000/-*, that is approximately 50% of the awarded compensation. Consequently, the appeal was disposed of *vide* order dated 12th November 2025.

5. *Mr. S.N. Parashar*, counsel for claimants, made a statement on 07th July 2026, as recorded in the order of this Court, that if appellant/*Hyundai agency* loses this appeal, it would be liable to pay 50% of the compensation, since the claimants had, by agreement, settled for 50% of the compensation with respondent no. 5/*Shree Chand Sharma* in *MAC.APP. 116/2022*.

6. *Mr. Bikram Singh Jakhar*, counsel for appellant/*Hyundai agency*, contends that it could not be held liable because it had merely acted as a go-between, and transferred the offending vehicle, which was owned by respondent no.6/*Rahul Sharma* to respondent no. 5/*Shree Chand Sharma*.

7. It was an admitted position that appellant/*Hyundai agency* had taken the offending vehicle from respondent no.6/*Rahul Sharma* on 18th February 2014, giving an adjustment of *Rs.30,000/-* towards purchase of a new car. The officer from the Transport Department, *Sh. Joginder Singh*, deposed as **R2W1**, and stated that he had brought the record pertaining to registration of the offending vehicle. The registration of the offending vehicle was valid



2026:DHC:5713



from 29th January 1999 to 28th January 2014, for a period of 15 years. He deposed that the offending vehicle continued to be registered in the name of respondent no. 6/*Rahul Sharma* at the time of the accident. The registration certificate [*RC*] had been placed on record as **Ex.R2W1/2**. This Court has perused the same, and found that the registration of offending vehicle expired on 28th January 2014.

Analysis

8. It is quite surprising to note that, during the exchange process whereby appellant/*Hyundai agency* took the offending vehicle from respondent no. 6/*Rahul Sharma*, in exchange for new car, it did not notice that the RC of offending vehicle had already expired. Further, it is quite unbelievable that a responsible car company, such as the appellant/*Hyundai agency*, would not check the RC of a vehicle before taking it into its possession.

9. Needless to say, the knowledge of the expired RC has to be attributed to appellant/*Hyundai agency*. Appellant/*Hyundai agency* has also stated that they sold the car to respondent no.5/*Shree Chand Sharma* on 03rd March 2014. This is borne out from the testimony of managing director of appellant/*Hyundai agency* [**R3W1**], who stated that there was no employer-employee relationship between respondent no.5/*Shree Chand Sharma* and their company, and brought on record originals of the sale order and delivery receipt, both dated 03rd March 2014, which were exhibited as **Ex.R3W1/R-1/B** and **R3W1/R-1/C**, respectively.

10. The counsel for appellant/*Hyundai agency* has drawn the attention of this Court to the aforesaid documents, as well as *Form 29* and *30*, which were



2026:DHC:5713



exhibited as **Ex.R3W1/R2/2**, and signed by respondent no. 6/*Rahul Sharma* in this regard.

11. During his cross-examination by counsel for respondent no. 6/*Rahul Sharma*, **R3W1** stated that the particulars of respondent no.5/*Shree Chand Sharma*, in *Form 29* and *30* pertaining to the sale and purchase of the offending vehicle had not been filled in at the time when the forms were signed by respondent no.6/*Rahul Sharma*. He further stated that aforesaid particulars are always filled in subsequently, at the time of the purchase of the vehicle, by the person to whom it is sold. He denied that the suggestion that offending vehicle was given as scrap to appellant/*Hyundai agency*.

12. Contrary to this, respondent no.5/*Shree Chand Sharma* stated that he was not a regular driver of appellant/*Hyundai agency*, and the offending vehicle was handed over to him by appellant/*Hyundai agency* for driving. He stated that he was not aware as to who the registered owner of offending vehicle was, and that he did not know anyone by the name of *Rahul Sharma*. He further stated that he was not an employee of appellant/*Hyundai agency*.

13. Having perused all these documents and the testimonies, the sequence of events as to what had possibly transpired is borne out.

14. On 28th January 2014, the registration of the offending vehicle expired. Thereafter, on 18th February 2014, respondent no. 6/*Rahul Sharma*, registered owner of the offending vehicle, exchanged the offending vehicle with the appellant/*Hyundai agency* for a new vehicle, which was given to him at a discount. On the date, when appellant/*Hyundai agency* accepted this offending vehicle, its registration period had expired. It was, therefore, the



2026:DHC:5713



responsibility of appellant/*Hyundai* agency to ensure that either the registration was renewed or, alternatively, that the offending vehicle was not plied on the roads. However, **R3W1**, managing director of appellant/*Hyundai* agency, stated in his testimony that they ‘sold’ the offending vehicle to respondent no.5/*Shree Chand Sharma* on 03rd March 2014.

15. It is inexplicable as to how a responsible agency could execute the sale documents and delivery receipt, as well as hand over *Form 29* and *30* on a day when the RC had already expired, that is 03rd March 2014. This story does not fit, in the opinion of this Court.

16. The aforesaid is further evident from the discrepancy in signatures of respondent no.5/*Shree Chand Sharma*, on the sale order and delivery receipt, and those appearing on his statement as **R1W1**, as well as on the affidavit to his written statement, which is a part of the Court record. A bare perusal of these signatures would show that they are quite dissimilar. It could possibly be that these documents were created subsequently.

17. However, since this is a matter concerning compensation, the Court is not passing any further directions in this regard, particularly since counsel for appellant/*Hyundai* agency, has in the meantime, stated that they are willing to pay their share, amounting to 50% of the awarded compensation.

18. Accordingly, 50% of the total compensation awarded, that is 50% of *Rs. 13,92,173/-*, along with interest at the rate of 9% per annum, from the date of filing of the claim petition till the date of deposit shall be deposited by appellant/*Hyundai* agency before the Registrar General of this Court.

19. It is further directed that a lump sum amount of *Rs. 1,00,000/-* shall be



2026:DHC:5713



released to the claimants from deposit of the aforesaid amount within a period of two weeks thereafter. Remaining deposited amount, along with accrued interest, shall be kept in Fixed Deposit Receipts [**FDRs**] of Rs. 25,000/- each for periods of 1 month, 2 months, 3 months and so on, in succession as maybe calculated. Interest accruing on said FDRs shall be credited to the designated Savings Bank Account of claimants. The amount of FDRs on maturity would be released to the Savings Bank Account of claimant upon due verification.

20. Accordingly, the appeal stands dismissed.
21. Pending applications, if any, are rendered infructuous.
22. Judgment be uploaded on the website of this Court.

(ANISH DAYAL)
JUDGE

JULY 17, 2026/mk/ya