

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

**FAO No. 2906 of 2005 (O&M)
Date of decision: 11.09.2015**

M/s Chea Matting House (P) Ltd.

... Appellant

versus

National Insurance Co. Ltd. and others

.... Respondents

CORAM: HON'BLE MR. JUSTICE K. KANNAN

Present: Mr. Atul Jain, Advocate for the appellant.

None for the respondents.

K.Kannan, J.

The appeal is at the instance of the registered vehicle owner who has been made to suffer a liability of recovery for the Insurance Company after satisfying the award passed for the claimants. The contention at the time of the trial was that on the date of accident namely on 29.05.1998, the vehicle had been transferred in favour of the Ranjit Singh, respondent No.3 and the Tribunal has also found the transfer as pleaded by the appellant to be established. However, the Tribunal made the appellant also responsible as a registered owner. The person who was actually driving the vehicle was a subsequent purchaser. There was no need for the Court to allow for recoveries against the registered owner also when there was a transfer of the vehicle and the transferee had been a party.

This issue has been considered by this Court in two decisions in Ravi Kumar Vs. Jitender Lathar and others, FAO No. 4090 of 2007 decided on 12.03.2014 and in Sugar Singh Vs. Mehar Singh, FAO No. 6517 of 2012 decided on 27.05.2014, makes reference to the judgment of the Supreme Court that registered owner shall not necessarily be made liable if there was a proof of transfer of ownership

1. since the registration is not *sine qua non* for transfer of vehicle and transfer is effected by delivery under the Sale of Goods Act Section 19. The liability cast on the appellant providing for recovery in favour of the Insurance Company is erroneous and the award against the appellant is set aside. The amount of Rs. 25,000/- deposited in the Court to the credit of the case, if not, already allowed to be withdrawn by the claimants, shall be permitted to be withdrawn by the appellant himself.

The appeal is allowed.

(K.KANNAN)
JUDGE

11.09.2015

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