

**FAO-5352-2017 (O&M) and  
FAO-6117-2017 (O&M)**

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

**1. FAO-5352-2017 (O&M)  
Date of Decision: May 15, 2019**

Yogesh Jain  
..... Appellants(s)

**Versus**

Jai Devi and others  
..... Respondent(s)

with

**2. FAO- 6117-2017 (O&M)**

Yogesh Jain  
..... Appellants(s)

**Versus**

Jai Devi and others  
..... Respondent(s)

**CORAM:- HON'BLE MRS. JUSTICE LISA GILL**

Present: Mr. Sandeep Punchhi, Advocate  
for the appellant.

None for respondent no.6, despite service.

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**LISA GILL, J.(oral)**

This judgment shall dispose of FAO-5352-2017 (Yogesh Jain Vs. Jai Devi and others) as well as FAO-6117-2017 (Yogesh Jain Vs. Jai Devi and others) as both the above noted appeals arise out of award dated 17.07.2017, passed by the learned Motor Accident Claims Tribunal, Sirsa (hereinafter referred to as 'the Tribunal).

Present appeals have been filed by the registered owner of the offending vehicle.

Learned Tribunal while deciding the claim petitions under Section 166 of the Motor Vehicles Act, 1988, arising out of the accident, which took place on 27.07.2015, concluded that the said accident took place due to the rash and negligent driving of the offending 'Tata 1109' bearing registration No. HR-57-3132, by its driver Satpal, who was arrayed as respondent no.1 in the claim petitions. Present appellant (registered owner) as well as respondent-Satpal, who was driving the offending vehicle were held liable, jointly and severally, to pay the amount of compensation to the claimants. Appellant who is the registered owner of the vehicle in question is aggrieved of his liability being fixed by the learned Tribunal in these cases, as he claims to have sold the vehicle before the accident.

Learned counsel for the appellant argues that though the appellant was the registered owner of the vehicle at the time of the accident, the vehicle in question was sold by the appellant to respondent - Satpal on 22.10.2012 i.e. before the occurrence of the accident on 27.07.2015. It is further pointed out that respondent - Satpal, who was driving the vehicle at the time of the accident, filed a written statement while specifically admitting that he was the owner of the offending vehicle having purchased the same from the present appellant. He pleaded that a false case had been registered against him. Learned counsel for the appellant further argues that respondent - Satpal had even taken the offending vehicle on superdari by furnishing personal as well as surety bonds. Therefore, the present appellant

had nothing to do with the offending vehicle as it was sold by him and this fact is admitted by respondent - Satpal. In this view of the matter, learned Tribunal has erred in holding the present appellant liable to pay the compensation jointly and severally alongwith respondent - Satpal. It is, thus, prayed that both these appeals be allowed and appellant be exonerated from liability to pay the compensation.

I have heard learned counsel for the appellant and have gone through the file.

The question whether the registered owner of a vehicle is liable to pay the compensation or not, in spite of the fact that the vehicle may have been sold by him, is no longer *res integra*. It has been held by the Hon'ble Supreme Court in **Naveen Kumar Vs. Vijay Kumar and others 2018 (2) RCR (Civil) 74** that the registered owner of the offending vehicle is liable to pay compensation even though the vehicle in question has been further sold or transferred to any person. Relevant para of above judgment is reproduced as under: -

“The consistent thread of reasoning which emerges from the above decisions is that in view of the definition of the expression ‘owner’ in Section 2(3), it is the person in whose name the motor vehicle stands registered who, for the purposes of the Act, would be treated as the ‘owner’. However, where a person is a minor, the guardian of the minor would be treated as the owner. Where a motor vehicle is subject to an agreement of hire purchase, lease or hypothecation, the person in possession of the vehicle under that agreement is treated

as the owner. In a situation such as the present where the registered owner has purported to transfer the vehicle but continues to be reflected in the records of the registering authority as the owner of the vehicle, he would not stand absolved of liability. Parliament has consciously introduced the definition of the expression ‘owner’ in Section 2(30), making a departure from the provisions of Section 2(19) in the earlier Act of 1939. The principle underlying the provisions of Section 2(30) is that the victim of a motor accident or, in the case of a death, the legal heirs of the deceased victim should not be left in a state of uncertainty. A claimant for compensation ought not to be burdened with following a trail of successive transfers, which are not registered with the registering authority. To hold otherwise would be to defeat the salutary object and purpose of the Act. Hence, the interpretation to be placed must facilitate the fulfilment of the object of the law. In the present case, the First respondent was the ‘owner’ of the vehicle involved in the accident within the meaning of Section 2(30). The liability to pay compensation stands fastened upon him. Admittedly, the vehicle was uninsured. The High Court has proceeded upon a misconstruction of the judgments of this Court in Reshma and Purnya Kala Devi.”

Learned counsel for the appellant is unable to deny that in the wake of the aforesaid judgment the appellant cannot escape the liability to pay compensation in this situation, though he might have a right to recover the same from Satpal, who has admitted purchasing the offending vehicle from the appellant.

Learned counsel for the appellant is unable to point out any illegality, infirmity or perversity in award dated 17.07.2017, passed by the learned MACT, Sirsa, which calls for interference by this Court.

No other argument has been raised.

In view of the discussion as above, both the appeals are disposed of. Needless to say, the appellant is at liberty to recover the amount of compensation from respondent - Satpal, who has admitted having purchased the vehicle in question.

**May 15, 2019.**

Sunil

**( LISA GILL )  
JUDGE**

Whether speaking/reasoned: Yes/No  
Whether reportable: Yes/No