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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**

+ **MAC.APP. 1110/2018, CM APPL. 52379/2018**

THE UNITED INDIA INSURANCE CO LTD

.....Appellant

Through: Mr. Ravi Sabharwal, Advocate.

versus

KIRAN & ORS

.....Respondent

Through: Appearance not given.

CORAM:

HON'BLE MS. JUSTICE NEENA BANSAL KRISHNA

ORDER

26.11.2024

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1. An Appeal under Section 173 of the Motor Vehicle Act, 1988 has been filed on behalf of the Insurance Company on the limited ground that the vehicle had been handed over by the owner Sh. Praveen Bansal to Mr. Narpat Singh, who in turn handed over the vehicle unauthorizedly and without the approval of the owner, to his son Ajay Kumar, who had caused the accident. Since, the vehicle was in unauthorized occupation of the driver, the Insurance Company is not responsible to pay the compensation.

2. **Submissions heard.**

3. The only defence taken on behalf of the Insurance Company is that it was being driven by Respondent No.1 Sh. Ajay Kumar who was an unauthorized person as the vehicle was entrusted to his father. The learned Tribunal has rightly observed that the vehicle had been duly handed over to father of the Respondent No.1 and merely because it was further handed



over to the son for driving the vehicle, it cannot be said that there was any unauthorized divesting of the possession of the vehicle to third party or that the owner ceased to be so of the vehicle.

4. It has been rightly held that the Insurance Company cannot avoid its liability on this ground. The Insurance Company is rightly held liable to pay the compensation.
5. There is no merit in the present Appeal, which is hereby dismissed.
6. The Appeal stands disposed of along with the pending Application(s).
7. The Statutory amount be refunded, in accordance with law.

NEENA BANSAL KRISHNA, J

NOVEMBER 26, 2024/va