



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

I. Smt. Usha Rani **FAO-169-1994**
. . . . Appellant

Vs.

Master Jagmohan Bansal and Others **. . . . Respondents**

II. Smt. Usha Devi **FAO-170-1994**
. . . . Appellant

Vs.

Subhash Chander and Others **. . . . Respondents**

Reserved on: 28.08.2025
Pronounced on: 01.09.2025

CORAM: HON'BLE MR JUSTICE DEEPAK GUPTA

Argued by:- Mr. H.S. Hooda, Advocate
for the appellants.

Mr. M.S. Sidhu, Advocate
for respondent No.1.
(through Video Conferencing).

None for respondent No.2.

Mr. Gaurav Garg, AAG, Haryana.

DEEPAK GUPTA, J.

Both these appeals have been filed by the registered owner of the offending vehicle and have arisen out of the same motor vehicular accident.

2. On 07.07.1991, Subhash Chander along with his nephew Jagmohan Bansal were travelling on their scooter No.CH01-4299 from Panchkula to Chandigarh. On the way, their scooter was hit by another scooter bearing registration No.CHC-8387 being driven by one Jai Karan in rash and negligent manner, causing injuries to both Subhash Chander and his nephew Jagmohan



Bansal. Smt. Usha *i.e. petitioner herein* is the registered owner of the offending scooter No.CHC-8387. Said offending scooter is admittedly uninsured.

3. Both the injured *i.e.* Subhash Chander as well as Jagmohan Bansal filed separate claim petitions under Section 166 of the Motor Vehicles Act, 1988 seeking compensation on account of injuries sustained by them impleading driver Jai Karan as respondent No.1 and registered owner Smt. Usha Devi as respondent No.2 of the offending vehicle. Learned Tribunal vide award dated 11.05.1993 awarded compensation of ₹22,000/- each along with interest in favour of both the claimants. Both the respondents *i.e.* driver as well as registered owner were held to be jointly and severally liable to pay the compensation amount to the injured-claimants.

4. There is nothing on record to show that any of the claimants filed any appeal seeking enhancement in the compensation.

5. However, the abovesaid award dated 11.05.1993 has been assailed by respondent No.2 of the claim petition *i.e.* Smt. Usha Devi- registered owner. The only contention raised before this Court by learned counsel for the appellant is that as per the written statement filed by the appellant before the learned Tribunal, respondent driver *i.e.* Jai Karan is a police official, who had taken the offending scooter from the shop of the husband of the appellant and as such, only he is responsible to pay the compensation amount. Still further, it is argued that said Jai Karan has filed an affidavit, which has been annexed along with the appeal that he will compensate the injured-complainants. Learned counsel submits that in view of these circumstances, the Tribunal was not justified in fastening the liability to pay compensation on the appellant-registered owner.

6. On the other hand, learned counsel for respondent No.1-claimant submits that it is the registered owner, who is liable to pay the compensation amount.



7. Respondent No.2-Driver of the offending vehicle i.e. Jai Karan was impleaded in both these appeals. However despite his service, he has preferred not to contest and as such, he was proceeded against ex parte.

8. This Court has considered submissions of both the sides and have appraised the Court.

9. It is not in dispute that it is the appellant Smt. Usha Devi was the registered owner of the offending scooter at the time of accident. The award passed by the learned Tribunal would reveal that Smt. Usha Devi did not produce any evidence before the Tribunal so as to prove that the offending scooter was taken forcibly by Jai Karan from the shop of her husband. Not only this, as per the settled position of law, once it is admitted that offending scooter was not insured, it is the registered owner, who is responsible to pay the compensation amount to the claimant. Reliance in this regard can be placed upon ***“Naveen Vs. Vijay” AIR 2018 SC 983***, wherein after referring to the numerous precedents, it was concluded by Hon’ble Supreme Court as under:

“12 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(30), 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 uncer-



tainty. 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***.

13. The submission of the Petitioner is that a failure to intimate the transfer will only result in a fine under Section 50(3) but will not invalidate the transfer of the vehicle. In Dr T V Jose, this Court observed that there can be transfer of title by payment of consideration and delivery of the car. But for the purposes of the Act, the person whose name is reflected in the records of the registering authority is the owner. The owner within the meaning of Section 2(30) is liable to compensate. The mandate of the law must be fulfilled."

10. The aforesaid legal proposition has been reiterated by Hon'ble Supreme Court recently in ***"Brij Bihari Gupta vs. Manmet and Others"*** Civil Appeal No.6338 – 6339 of 2024 decided on 08.08.2025 reported as **2025 INSC 948**.

11. In view of the aforesaid factual and legal position, this Court does not find any merit in the contention raised by learned counsel for the appellant to the effect that it is Jai Karan, who will be responsible to pay the compensation amount, as he was driving the scooter at the relevant time and had taken the same from the shop of husband of the appellant.

12. As far as the affidavit of the respondent Jai Karan is concerned, appellant will be at liberty to avail appropriate legal remedy against him so as to compensate her for making the payment to the injured-claimants. However, as far as the present claim petitions are concerned, the appellant cannot be permitted to seek any direction from this Court not to fasten any liability upon her.



She has to satisfy the claim of the injured-claimants. Both these appeals are dismissed accordingly.

A photocopy of this order be placed on the file of connected case.

(DEEPAK GUPTA)
JUDGE

01.09.2025

Neetika Tuteja

Whether speaking/reasoned?	Yes/No
Whether reportable?	Yes/No