



MVA S. 166 - Third Party Insurance Deemed To Be Transferred Along With Effective Control Over Vehicle In A Hire Agreement

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[motor vehicles act](#), 1988 (59 of 1988), Section 166 - Corporation had hired a bus - Effective control and command of the bus is with the Corporation, the Corporation becomes the [owner](#) of the vehicle for the specified period - When the actual possession of the vehicle is with the Corporation, the vehicle, the driver and the conductor were under the direct control and supervision of the Corporation - Therefore, through the definition of "vicarious liability" it can be inferred that the person supervising the driver is liable to pay the compensation to the victim - During such time, however, it [will](#) be deemed that that vehicle was transferred along with the [insurance](#) policy, even if it were insured at the instance of the original owner - Insurance Company liable. *U.P. State Road Transport Corporation, Kulsum, (2011)18 SCC 142, followed.*

Editor : see also U.P. State Road Transport Corporation v. Rajendri Devi . (2020-4)200 PLR 622 (SC)

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