

Court No. - 9

Case :- WRIT - C No. - 19167 of 2025

Petitioner :- Rakhi Chauhan @ Rakhi Singh

Respondent :- Motor Accident Claims Tribunal Kannauj And 2 Others

Counsel for Petitioner :- Rajneesh Tripathi

Hon'ble Manish Kumar Nigam,J.

1. This petition has been filed for following relief :

"(i) Issue, a writ order or direction in the nature of certiorari to quash the impugned order dated 23.05.2025 (Annexure No.6 to this writ petition) passed by learned Prescribed Officer, Motor Accident Claims Tribunal, Kannauj in Misc. Application No.116/74/2025 arising out of Motor Accident Claim Petition No.116 of 2016 (Rakhi Chauhan @ Rakhi Vs. Vanshiram Meeda and others).

(ii) Issue, a writ order or direction in the nature of mandamus commanding and directing the learned tribunal for releasing the amount of F.D.R. No. 50300986031841 in favour of petitioner."

2. Brief facts of the case are that father of the petitioner was met with an accident while he was standing on the side of the road by the Truck bearing No.RJ 14 GC 6885 and died on the spot on 09.11.2015. At the time of the accident, the father of the petitioner was aged about 48 years. Petitioner filed a Claim Petition No.116 of 2016 claiming compensation for the death of the father of the petitioner in the aforesaid accident. The claim petition filed by the petitioner was decreed by judgment and award dated 30.01.2024 and the sum of Rs.27,14,084/- was awarded as compensation along with interest to the petitioner. After the award, the money was deposited by the Insurance Company before the Tribunal. Out of awarded sum, Rs.2,00,000/- in favour of the petitioner was invested in FDR in HDFC Bank, Branch M.G. Road, Kannauj on 06.06.2024 and rest of the amount was paid to the petitioner.

3. An application was moved by the petitioner for release of amount, which was invested in the FDR on the ground that petitioner is major and her marriage is fixed for 06.06.2025 and therefore, prayed that amount deposited in the FDR be released in

her favour. The said application filed by the petitioner has been rejected by the Tribunal for release of the amount.

4. This petition was filed before this Court and learned counsel for the petitioner was directed to serve a copy of the petition to the counsel appearing for the Insurance Company by this Court on 05.06.2025.

5. Since, the award has been finalized and the money has been deposited, the respondents though made party in the writ petition has no say in the matter as the release of amount is between the petitioner and the Tribunal and therefore, I am not issuing fresh notices for appearances of respondent no. 3.

6. It has been contended by learned counsel for the petitioner that the Tribunal has erred in law in rejecting the application filed by the petitioner and has passed an order rejecting the application without assigning any reason only on the ground that the ground is not sufficient. It is further contended that there was no evidence contrary to stand taken by the petitioner. Learned counsel for the petitioner relied upon judgment of Supreme Court in case of **General Manager, Kerala State Road Transport Corporation v. Sushamma Thomas and others reported in 1994 (1) TAC 323** and the judgment of **A.V. Padma and others v. R. Venugopal and others reported in (2012) 3 SCC 378** and also judgment of this Court in case of **Aidal Singh and another v. State of U.P. and 3 others passed in Writ C No. 31515 of 2023** decided on 26.2.2024. In case of **A.V. Padma and others (Supra)** the Apex Court has held in paragraph nos. 6 to 10 as under:

"6. Even as per the guidelines issued by this Court Court, long term fixed deposit of amount of compensation is mandatory only in the case of minors, illiterate claimants and widows. In the case of illiterate claimants, the Tribunal is allowed to consider the request for lumpsum payment for effecting purchase of any movable property such as agricultural implements, rickshaws etc. to earn a living. However, in such cases, the Tribunal shall make sure that the amount is actually spent for the purpose and the demand is not a ruse to withdraw money. In the case of semi-illiterate claimants, the Tribunal should ordinarily invest the amount of compensation in long term fixed deposit. But if the Tribunal is satisfied for reasons to be stated in writing that the whole or part of the amount is required for expanding an existing business or for purchasing some property for earning a livelihood, the Tribunal can release the whole or part of the amount of compensation to the claimant provided the Tribunal will ensure

that the amount is invested for the purpose for which it is demanded and paid. In the case of literate persons, it is not mandatory to invest the amount of compensation in long term fixed deposit.

7. The expression used in guideline No. (iv) issued by this Court is that in the case of literate persons also the Tribunal may resort to the procedure indicated in guideline No. (i), whereas in the guideline Nos. (i), (ii), (iii) and (v), the expression used is that the Tribunal should. Moreover, in the case of literate persons, the Tribunal may resort to the procedure indicated in guideline No. (i) only if, having regard to the age, fiscal background and strata of the society to which the claimant belongs and such other considerations, the Tribunal thinks that in the larger interest of the claimant and with a view to ensure the safety of the compensation awarded, it is necessary to invest the amount of compensation in long term fixed deposit.

8. Thus, sufficient discretion has been given to the Tribunal not to insist on investment of the compensation amount in long term fixed deposit and to release even the whole amount in the case of literate persons. However, the Tribunals are often taking a very rigid stand and are mechanically ordering in almost all cases that the amount of compensation shall be invested in long term fixed deposit. They are taking such a rigid and mechanical approach without understanding and appreciating the distinction drawn by this Court in the case of minors, illiterate claimants and widows and in the case of semi-literate and literate persons. It needs to be clarified that the above guidelines were issued by this Court only to safeguard the interests of the claimants, particularly the minors, illiterates and others whose amounts are sought to be withdrawn on some fictitious grounds. The guidelines were not to be understood to mean that the Tribunals were to take a rigid stand while considering an application seeking release of the money.

9. The guidelines cast a responsibility on the Tribunals to pass appropriate orders after examining each case on its own merits. However, it is seen that even in cases when there is no possibility or chance of the feed being frittered away by the beneficiary owing to ignorance, illiteracy or susceptibility to exploitation, investment of the amount of compensation in long term fixed deposit is directed by the Tribunals as a matter of course and in a routine manner, ignoring the object and the spirit of the guidelines issued by this Court and the genuine requirements of the claimants. Even in the case of literate persons, the Tribunals are automatically ordering investment of the amount of compensation in long term

fixed deposit without recording that having regard to the age or fiscal background or the strata of the society to which the claimant belongs or such other considerations, the Tribunal thinks it necessary to direct such investment in the larger interests of the claimant and with a view to ensure the safety of the compensation awarded to him.

10. The Tribunals very often dispose of the claimant's application for withdrawal of the amount of compensation in a mechanical manner and without proper application of mind. This has resulted in serious injustice and hardship to the claimants. The Tribunals appear to think that in view of the guidelines issued by this Court, in every case the amount of compensation should be invested in long term fixed deposit and under no circumstances the Tribunal can release the entire amount of compensation to the claimant even if it is required by him. Hence a change of attitude and approach on the part of the Tribunals is necessary in the interest of justice."

7. From the law as laid down by the Apex Court it is clear that the guidelines were issued to keep the amount in a Fixed Deposit for a period of time only in the case of minors, illiterate claimants and widow.

8. In case of **Aidal Singh and another (Supra)** in paragraph no. 20, this Court has held as under:

"The guidelines has been issued in case of General Manager, Kerala State Road Transport Corporation v. Sushamma Thomas (Supra) which have now been incorporated in the Rules was only to safeguard the interest of the claimants particularly the minors and the illiterate. These guidelines were not meant to understood to mean that the tribunal was suppose to take a rigid stand while considering the application of the petitioners for the release of money."

9. Coming to the facts of the present case, it is apparent that the father of the petitioner who met with an accident and died on the spot in the year 2015. The petitioner is major and in my view, the tribunal has erroneously rejected the application of the petitioner without assigning any reason. In my view, the application filed by the petitioner ought to have been allowed.

10. It is true that court can direct for deposit of part of awarded amount in fixed deposit to protect the interest of persons with certain disabilities such as minors, illiterate claimants or widow but the same rule cannot be applied in a case of adult who wants to

marry.

11. Accordingly, the order dated 23.05.2025 passed in Misc. Case No.116/74/2025 (Rakhi Chauhan @ Rakhi Vs. Vanshiram Meeda and others), is hereby set-aside and the writ petition is **allowed**.

12. Motor Accident Claims Tribunal, Kannauj is directed to release the amount which has been invested in fixed deposit forthwith on an application being moved by the petitioner in this regard before the tribunal.

Order Date :- 7.7.2025

Priya

(Manish Kumar Nigam, J.)