IN THE HIGH COURT OF BOMBAY AT GOA

WRIT PETITION NO.311 OF 2025

1. Mr. Itiram Panging, Son of Mr. Nirajaj Panging, Age 65 years, Widower, Unemployed, Indian National,

2. Mr. Lohit Panging, Son of Mr. Itiram Panging, Age 35 years, Married, Furniture Work, Indian National, Both resident of Hatipara Majgaon, Dhemaji, Assam, presently residing at Khorlim, Mapusa Goa. .... Petitioners.

Versus

1. Mr. Miguel Francisco De Souza, Son of Mr. Florencio De Souza, Age 56 years, Indian National, Resident of H. No. 1080, Cutchem Bhatt, Anjuna, Bardez, North-Goa, 403509.
(Driver of the car bearing registration No. GA-02-A-8161).

2. Mrs. Prisca D Souza, Wife of Miguel Francisco D Souza, Major of age, Indian National, Resident of H. No. 1080, Cutchem Bhatt, Anjuna, Bardez, North-Goa, 403509.
(Owner of the car bearing registration No. GA-02-A-8161).

3. National Insurance Company Limited, Reg. Office & Head office - 3 Middleton Street, Kolkata, 700071 and Vaman Smriti, Near Laxmi Temple, Mapusa, North-Goa, 403507.

(Insurer of car bearing registration No. GA-02-A-8161). .... Respondents.

Mr. Neehal Vernekar, Advocate with Mr Prasad N. Sutar, Advocate for Petitioners.
Mr Anthony D'Silva, Advocate with Ms. Kimberley Gracias, Advocate for Respondents No.1 and 2.
Mr Pankaj Shirodkar, Advocate for Respondent No.3.

CORAM: VALMIKI MENEZES, J.
DATED: 05th DECEMBER, 2025.

ORAL JUDGMENT:

1. The challenge in this Petition is to an Order dated 06.05.2025 passed by the Claims Tribunal on an application under Section 166 placed in disposed Claim Petition No.8 of 2023; by the impugned Order the Claims Tribunal directs release of 50% of the amount deposited as compensation of Rs.20,08,916/- (Rupees Twenty Lakhs Eight Thousand Nine Hundred and Sixteen only). The main grievance raised in the Petition is that the Tribunal has failed to exercise the jurisdiction vested in it to release the balance amount, and whilst passing the impugned Order, has applied no reasons for refusing the balance 50% of compensation to the Claimants.

2. The claimants in the aforementioned Claim Petition are the father of the deceased, who is 65 years of age (mother of the deceased has passed away), and the brother of the deceased, who is 35 years old. The Petitioners state that both of them are literate, though they do manual work. The father of the deceased was also working as a Guard and, after retirement, works in his own agricultural farm. This, however, would not come in their way to claim the entire compensation, considering that they are literate persons.

3. The Petitioners have further, in the Petition stated on affidavit that the Petitioner no.1, i.e. his father has entered into an agreement for sale dated 25.09.2025 for purchase of agricultural land for which he requires the balance amount deposited before the Claims Tribunal. So far as the claimant No.2/Petitioner No.2 is concerned, he has requested release of the funds to effect renovation of the residential house in which the two claimants reside. The plan of the renovation to be carried out is annexed to the Petition.

4. In the case of **General Manager, Kerala State Road Transport Corporation, Trivandrum v/s. Susamma Thomas (Mrs) and Others**[1], the Supreme Court has laid down guidelines followed by the claims tribunals whilst releasing the amount of compensation deposited in accident claims before them. These are re-produced today.

> "23. In a case of compensation for death it is appropriate that the Tribunals do keep in mind the principles enunciated by this Court in Union Carbide Corpn. v. Union of India (1991) 4 SCC 584 in the matter of appropriate investments to safeguard the feed from being frittered away by the beneficiaries owing to ignorance, illiteracy and susceptibility to exploitation. In that case approving the judgment of the Gujarat High

[1] (1994) 2 SCC 176

Court in Muljibhai Ajarambhai Harijan v. United India Insurance Co. Ltd.] this Court offered the following guidelines: (Guj LR pp. 759-60)

> "(i) The Claims Tribunal should, in the case of minors, invariably order the amount of compensation awarded to the minor be invested in long term fixed deposits at least till the date of the minor attaining majority. The expenses incurred by the guardian or next friend may, however, be allowed to be withdrawn;
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> (ii) In the case of illiterate claimants also the Claims Tribunal should follow the procedure set out in (i) above, but if lump sum payment is required for effecting purchases of any movable or immovable property such as, agricultural implements, rickshaw, etc., to earn a living, the Tribunal may consider such a request after making sure that the amount is actually spent for the purpose and the demand is not a ruse to withdraw money;
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> (iii) In the case of semi-literate persons the Tribunal should ordinarily resort to the procedure set out at (i) above unless it is satisfied, for reasons to be stated in writing, that the whole or part of the amount is required for expanding and existing business or for purchasing some property as mentioned in (ii) above for earning his livelihood, in which case the Tribunal will ensure that the amount is invested for the purpose for which it is demanded and paid;
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> (iv) In the case of literate persons also the Tribunal may resort to the procedure indicated in (i) above, subject to the relaxation set out in (ii) and (iii) above, if having regard to the age, fiscal background and strata of society to which the claimant belongs and such other considerations, the Tribunal in the larger interest of the claimant and with a view to ensuring the safety of the compensation awarded to him thinks it necessary to do order;
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> (v) In the case of widows the Claims Tribunal should invariably follow the procedure set out in (i) above;
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> (vi) In personal injury cases if further treatment is necessary the Claims Tribunal on being satisfied about the same, which shall be recorded in writing, permit withdrawal of such amount as is necessary for incurring the expenses for such treatment;

> (vii) In all cases in which investment in long term fixed deposits is made it should be on condition that the Bank will not permit any loan or advance on the fixed deposit and interest on the amount invested is paid monthly directly to the claimant or his guardian, as the case may be;
>
> (viii) In all cases Tribunal should grant to the claimants liberty to apply for withdrawal in case of an emergency. To meet with such a contingency, if the amount awarded is substantial, the Claims 11 (1982) 1 Guj LR 756 Tribunal may invest it in more than one Fixed Deposit so that if need be one such F.D.R. can be liquidated."
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> These guidelines should be borne in mind by the Tribunals in the cases of compensation in accident cases."

5. In the aforementioned judgment, the criteria for considering holding back part of the compensation was the level of literacy of the claimants and the status of the claimant that she was a widow, the Supreme Court has laid down guidelines as to the quantum of compensation to be released where, literate, illiterate and semi-literate are concerned but has not placed specific embargo on the compensation to be released to literate claimants, more so, when they have declared reason for using the compensation.

6. On a similar note, in a more recent judgment rendered by the Supreme Court in **A. V. Padma and Others v/s. R. Venugopal And Others[2]** after making reference to **Susamma Thomas** (supra), the position set out in **Susamma Thomas** (supra), has been further clarified in the following terms:

[2] (2012) 3 SCC 378

"6. Even as per the guidelines issued by this 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. 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."

7. Considering the guidelines laid down by the Supreme Court in the aforementioned two judgments, I note that the Claimant Tribunal in the present case has offered absolutely no reason for rejecting the application for balance compensation of 50%. There is enough material placed before me to conclude that both Petitioners are literate persons and have stated genuine reasons which are referred to above, for the release of the balance 50% of compensation. Considering these facts, the impugned Order dated 06.05.2025 insofar as it directed disbursement of only 50% of the deposited compensation and further directs re-investment of the balance 50% in Fixed Deposit Receipts for a period of three years in a nationalized Bank, is quashed and set aside. Accordingly, the application at Exhibit 56 before the Motor Accident Claims Tribunal, Panaji in Claims Petition No.8/2023 is allowed in its totality. The Claims Tribunal shall release the balance 50% of compensation of Rs.10,04,458/- with accrued interest on the Fixed Deposits, after it is withdrawn, shall be released in equal proportion to the Claimant No.1 and Claimant No.2 (Petitioner No.1 and Petitioner No.2, respectively), in this Petition. The Registry of the Claims Tribunal at Merces, is directed to comply with the directions herein within a period of four weeks from today. The amounts are to be remitted in equal proportion to the two Claimants directly into their bank accounts, the details of which are given below:

(i) Claimant No.1: Mr Itiram Panging Bank details:
State Bank of India, Dhemaji Branch, Assam
Regular Saving Account No.42216578939
IFSC No.:SBIN0001426

(ii) Claimant No.2: Mr Lohit Panging Bank details:
Indian Bank, Sahakarnagar Branch, Bangalore.
Regular Saving Account No.7591418036
IFSC No.:IDIB000S520

8. An authenticated copy of this Order shall be placed on the record of the Claims Tribunal in Claims Petition No.8 of 2023.

9. Rule is made absolute in the aforesaid terms.

VALMIKI MENEZES, J.