$~53

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

\+ CM(M) 951/2026 & CM APPL. 27825/2026

SMT GEETA GOYAL .....Petitioner

Through: Mr. S. N. Prashar, Adv.

versus

SH SONPAL ALIAS SONU PAL & ORS. .....Respondents

Through: None

CORAM:
HON'BLE MR. JUSTICE ANISH DAYAL

ORDER

% **27.04.2026**

1. This petition assails order dated 19th February 2026, passed by the Motor Accident Claims Tribunal ["***MACT***"], whereby the application [***M.DJ No. 96/2026***] for partial release of compensation of *Rs. 15,00,000/-* of the awarded amount was rejected.

2. *Vide* judgment dated 15th October 2025 in ***MACP No. 495/2021***, MACT awarded a compensation of *Rs.75,30,256/-* with interest @ 9% per annum, in favour of petitioner and directed that *Rs.15,30,256/-* be released to petitioner and remaining amount of *Rs.60,00,000/-*, along with interest on the entire award amount, be kept in form Fixed Deposits Receipts [***FDRs***] in the multiples of *Rs.50,000/-* each for a periods of one month, two months, three months respectively.

3. The application has been filed stating that petitioner has disability to the extent of 80% in relation to her *left upper limb* and *bilateral lower limb*. During treatment, petitioner has spent *Rs.22,00,000/-* on medical bills, about *Rs.3,00,000/-* lakhs on nursing/attendant, and about *Rs.5,00,000/-* on room rent, which comes to about *Rs.30,00,000/-*. Considering that a sufficient

amount has not been released, a loan of *Rs.10,00,000/-* was taken from relative and friends.

4. Since no documentary evidence was placed by petitioner in support of the same, and since medical bills and attendant charges had already been considered by the MACT, the application was dismissed.

5. It has been repeatedly noticed by this Court that, in case of requirement of a claimant, partial release of compensation may be considered in a benevolent manner, considering that compensation is meant to be released to the claimants.

6. *Mr. S N Prashar*, counsel for petitioner, states that petitioner is a Life Insurance Corporation of India [***LIC***] agent and is conscious of the consequences of premature partial release of compensation amount.

7. Taking into account the decision of the Supreme Court in ***A.V. Padma & Ors. v. R. Venugopal & Ors***. (2012) 3 SCC 378, where the Supreme Court expressly observed that the guidelines cast a responsibility on the Tribunals to pass appropriate orders after examining each case on its own merits, and deprecated the mechanical disposal of applications for withdrawal "*without proper application of mind*". Relevant paragraphs are extracted as under:

> *"**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. <u>It needs to be clarified that the</u>*

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."*

(emphasis added)

8. Therefore, the consistent judicial position mandates that the manner of disbursement must be guided by the welfare of claimants, with discretion to permit full or partial release, where justified, and investment in fixed deposits only to the extent necessary to secure the compensation awarded.

9. In this view of the matter, the petition is allowed.

10. Accordingly, *Rs.15,00,000/-* be released forthwith in favour of petitioner by liquidating requisite number of FDRs.

11. Petition stands disposed of in above terms.

12. Pending application is rendered infructuous.

13. Order be uploaded on the website of this Court.

ANISH DAYAL, J

APRIL 27, 2026/sm/tk