

**THE HIGH COURT OF KERALA**

Ernakulam -682031

Email: dlsection.hc-ker@gov.in

Phone: 0484-2562985

Date: 19-09-2025

DI-1/62475/2016**OFFICIAL MEMORANDUM**

Sub:- Motor Accidents Claims Tribunal (MACT)- Disbursement of award amount- procedure to be followed by MACTs before and after passing the award as per the directions of the Honourable Supreme Court of India in Suo Motu W.P. (C) No.7 of 2024 titled in Re: Compensation amounts deposited with Motor Accidents Claims Tribunals and Labour Courts- Reg.

Ref:- (1) High Court Circular No.1/2024

(2) Orders dated 22.04.2025 and 18.08.2025 of the Honourable Supreme Court in Suo Motu W.P.(C) No. 7 of 2024

(3) Judgment dated 18.03.2025 of the Honourable Supreme Court in Parminder Singh v. Honey Goyal [2025 (2) KHC 531]

The Honourable Supreme Court of India has, vide the orders cited at reference 2nd above, mandated that the award amount be transferred directly to the bank account of the claimant(s). In the aforesaid order, the Hon'ble Supreme Court has further directed that suitable practice directions be issued, or rules of procedure be framed, incorporating this mandate — specifically that compensation amounts, once ordered to be released, shall be credited directly into the bank accounts of the persons entitled to receive them.

A similar directive has also been reiterated, vide judgement cited at reference 3rd above, wherein it has been categorically held that the compensation payable under awards of the Motor Accidents Claims Tribunals must be deposited directly into the bank accounts of the beneficiaries.

In view of the above, the High Court has issued **Circular No. 1/2025**, in supersession of the High Court Circular cited at reference 1st above, a copy of which is forwarded herewith, for strict compliance by all Motor Accidents Claims Tribunals in the State of Kerala and in the Union Territory of Lakshadweep. The said Circular incorporates the binding directions of the Honourable Supreme Court and prescribes the detailed procedure to be followed both before and after the passing of awards. All concerned shall adhere scrupulously to these directions, without deviation.

(By Order)

Signed by

Nixon M Joseph

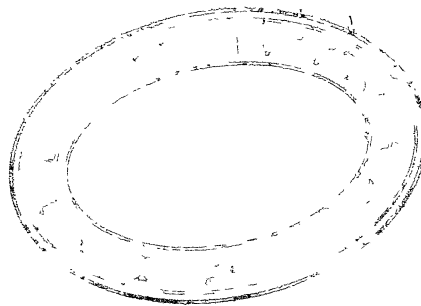
Date: 19-09-2025 19:49:45

Nixon M Joseph
REGISTRAR (DISTRICT JUDICIARY)

Encl : as above

To:- All the District Judges in the State
The District Judge, Kavaratti
All MACTs in the State

Copy to:- The Director, Kerala Judicial Academy
Adv. G. Unnikrishnan, Secretary , Rule Committee, High Court,
GTWRA-1, Vigneswaram, Ganapathy Temple Road, Edapally, 682024
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Date: 19-09-2025

DL-**1/62475/2016****CIRCULAR No. 1 / 2025**

Sub:-Motor Accidents Claims Tribunal (MACT)- Procedure to be followed by MACTs before and after passing the award- directions of the Honourable Supreme Court of India in Suo Motu W.P.(C) No.7 of 2024 titled in Re: Compensation amounts deposited with Motor Accidents Claims Tribunals and Labour Courts -Reg.

Ref:- (1) High Court Circular No.1/2024

(2) Orders dated 22.04.2025 and 18.08.2025 of the Honourable Supreme Court in Suo Motu W.P.(C) No. 7 of 2024

(3) Judgment dated 18.03.2025 of the Honourable Supreme Court in Parminder Singh v. Honey Goyal [2025 (2) KHC 531]

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In supersession of the High Court Circular No.1/2024 Ref. (1) above and in compliance with the directions issued by the Honourable Supreme Court in the orders Ref. (2) above and judgment Ref. (3) above, the following procedure is laid down for being followed by all the Motor Accidents Claims Tribunals in the State of Kerala and the Union Territory of Lakshadweep, with effect from the date of this Circular.

PROCEDURE BEFORE PASSING THE FINAL AWARD

1. (a) All the Motor Accidents Claims Tribunals shall ensure that at the time of filing the claims petition, in addition to the existing particulars as required under the Kerala Motor Vehicles Rules, 1989, the Aadhaar Number, PAN details and e-mail ID, if any, of all the petitioners seeking compensation including the injured persons, legal heirs/legal representatives of the deceased victim, or the owners of damaged property, as the case may be, shall also be incorporated in the claims petitions.

(b) Such particulars shall also be furnished by any person seeking impleadment in the claims petition as a supplemental/additional petitioner.

(c) The Tribunal shall register and number the claims petition, even though the details as mentioned in clause 1(a) are not furnished at the time of filing.

(d) In a claims petition, where the details as mentioned in clause 1 (a) are not furnished, the Tribunal shall direct the issuance of notice subject to the claimant(s) furnishing the same within a reasonable time as specified by the Tribunal. No interim award/order shall be made before the details are furnished.

Note: The office shall not send notice until and unless the direction of the Tribunal regarding the furnishing of such particulars is complied with.

2 (a) Before commencement of the trial or before passing an interim award/order granting compensation, whichever is earlier, the Tribunal shall call upon the petitioner(s), within a reasonable time as specified by the Tribunal, to produce their bank account details as mentioned below along with either a certificate of the banker giving details of the bank account, or a copy of a cancelled cheque of the bank account, of such petitioner(s):

1.	Name of the person(s) entitled to compensation	
2.	Name of Bank and branch	
3.	Bank IFSC Code	
4.	Account Number(s) of the person(s) entitled to compensation	

(b) The Tribunal shall further direct the petitioner(s) to promptly notify the Tribunal of any change in bank account details, email ID, or any other particulars already furnished.

(c) The Tribunal shall verify and ascertain that the bank account(s) belong to such petitioner(s). The Tribunal shall also ensure that no person other than a family member is included as a joint account holder in such bank account(s). If the petitioner(s) is a minor, mentally ill, or otherwise disabled to open a bank account in the name of the petitioner(s), the account shall be opened in the name of such person represented by a guardian. Whenever a new person is added to such account(s), the petitioner(s) or the guardian, as the case may be, shall inform the Tribunal about such addition, specifying the reason for the addition and the relationship of the newly added person. Any deletion of a person from such an account(s) shall also be so informed.

(d) In the event a consent award or order is made, the consent terms must contain all relevant account details of the persons entitled to receive compensation in accordance with clause 2 (a).

The account details shall also be incorporated in the order passed by the Tribunal for the disbursement of the amount based on a compromise between the parties. In the event of a compromise before the Lok Adalat, the Lok Adalat shall ensure that the award incorporates the account details of the person(s) receiving compensation under the award.

PROCEDURE AFTER PASSING THE ORDER/AWARD

3(a) After the award is passed, if the Tribunal finds that any respondent(s) or third party(ies) is entitled to receive compensation, the Tribunal shall obtain the particulars mentioned in clauses 1(a) and 2 (a) from such respondent(s) or third party(ies) before disbursing the compensation awarded.

(b) If, after the award is passed, but before the compensation is disbursed, any of the persons entitled to receive compensation dies, the Tribunal shall obtain the particulars mentioned in clauses 1(a) and 2 (a) above from the legal heir(s)/legal representative(s) of such person(s) before disbursing the compensation awarded.

(c) The Tribunal shall, in the ordinary course, while issuing directions regarding disbursement of compensation in the interim award/order granting compensation, final award or in any subsequent orders, direct the transfer of the requisite amounts directly to the bank account of the person/s entitled to receive compensation as per the account details furnished in clause 2 (a) above. Where there is a considerable lapse of time between the furnishing of bank account details and the filing of an application for withdrawal, the Tribunal shall take reasonable steps to ascertain and obtain the claimant(s)' updated account details.

(d) Whenever the Tribunal passes an order of deposit of compensation amount (especially in the case of a minor, mentally ill person or any other person), with the Tribunal, or in the name of the person(s) entitled to receive compensation or in the joint name of the person(s) entitled to receive compensation and the Tribunal, there shall be a direction to invest the amounts in fixed deposit with any nationalized bank or in the bank of which the details are furnished. The Tribunal can also direct that the fixed deposit shall have a lien marked on the face of the receipt and that the amount shall be paid only on the date as directed in the award or on the orders of the Tribunal.

(e) The fixed deposit shall carry standing instructions for automatic renewals at periodic intervals, securing the maximum rate of interest, until further orders are passed by the Tribunal. When the Tribunal considers it appropriate to permit the withdrawal of interest accrued on the fixed deposit, the bank shall, upon the Tribunal's order, transfer the said amount to the account specified in the order of the Tribunal. Upon the minor attaining majority, the Bank shall credit the fixed deposit amount together with accrued interest to the person's account, unless otherwise directed by the Tribunal.

(f) The transfer of the amount in the bank account, particulars of which have been furnished by the claimant(s), respondent(s) or third party(ies), as mentioned in the award/orders, shall be treated as satisfaction of the award/orders.

(g) Upon deposits being made, the respondent concerned shall submit to the Tribunal a copy of the bank advice and a memo in the prescribed format provided below. A copy of the payment advice, along with a copy of the memo, shall also be served on the contesting party(ies) and their respective counsel, if any.

Memo regarding Payment advice for remittance of Compensation

We confirm the remittance of compensation as follows:

No	Particulars	Details
1	O.P.(MV) No.	
2	On the file of the Motor Accidents Claims Tribunal (Place)	
3	Date of award	
4	Amount deposited	
5	Amount retained in the fixed deposit with the fixed deposit receipt number	
6	Name of the minor(s)/claimant(s) in the fixed deposit	
7	Tax Deducted at Source, if any	
8	Bank Transaction Reference No./Unique Transaction Reference (UTR) No.	

(h) The respondent concerned shall provide Form 16A under the Income Tax Act, 1961, to the person(s) to whom compensation has been so paid.

GENERAL

4 (a) If any of the persons mentioned above do not have a bank account, the Tribunal shall direct such person(s) to open a bank account within a prescribed period.

(b) If any of the persons mentioned above does not have any of the details mentioned in clauses 1(a) and 2(a), such person(s) may either directly or on the direction of the Tribunal approach the District Legal Services Authorities (DLSA) or the Taluk Legal Services Committee (TLSC) concerned to provide necessary assistance.

5 (a) The directions contained in this Circular shall be widely published on the website/web page of the Motor Accidents Claims Tribunals, if any, notice boards and shall also be notified to the Bar Associations, Insurance Companies, Transport Corporations, and other entities.

(b) If any amount remains deposited in the account maintained by the Tribunal, the Tribunal shall take steps to notify the person entitled to receive the amount to claim the said amount within a time frame to be fixed by the Tribunal. Despite such notification, if the amount is not claimed, the Tribunal shall report this fact to the Registry of the High Court.

(c) All the Motor Accidents Claims Tribunals in the State of Kerala and the Union Territory of Lakshadweep shall ensure strict compliance of the above directions. In case of any procedural difficulty in implementing these directions, the matter shall be brought to the notice of the Registry of the High Court.

(d) If any clarifications/directions are found necessary regarding the implementation of any of the provisions of this Circular, the Honourable the Chief Justice shall have the power to issue appropriate clarifications/directions.

(By Order) Signed by

Nixon M Joseph

Date: 19-09-2025 19:21:47

Nixon M Joseph

REGISTRAR (DISTRICT JUDICIARY)

To:- All the District Judges
The District Judge, Kavaratti
All MACTs in the State

Copy to:- The Director, Kerala Judicial Academy
Adv. G. Unnikrishnan, Secretary , Rule Committee, High Court,
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