ORDER BELOW EXH. 1 IN M.A.C.M.A. NO.158 of 2026

1] Read the application. Heard the Ld. Adv. for the applicant.

2] By filing the present application the Ld. Adv. for the applicant has submitted that; to get compensation on account of injuries sustained by him, being the legal heirs he had filed M.A.C.P. No.463/2024, wherein as per court order, an amount of Rs.1,54,140/- has been deposited vide F.D. No.0013284 on dtd.15/03/2025 in the name of applicant with Indian Bank, Rajkot. Further, the Ld. Adv. for the applicant has submitted that; the said claim petition disposed of in the Lok-Adalat. Under the settlement, total compensation of Rs. 5,00,000/- was awarded in favour of the applicants. However, instead of directing payment of the entire compensation amount in cash, the Tribunal had ordered that only 50% of the awarded amount be released, while the remaining amount be invested in a Fixed Deposit. Accordingly, an amount of Rs. 1,54,140/- was deposited in the name of the applicant in Fixed Deposit No. 0013284 dated 15.03.2025 with Indian Bank, Rajkot for a period of five years, i.e. till 15.07.2030, pursuant to the order of the learned Tribunal. Further, it is submitted that the applicant is facing financial hardship and has no other source of income or financial support. It is further stated that no previous application for withdrawal of the Fixed Deposit amount has been made. Therefore, considering the adverse financial condition of the applicant, a prayer has been made for release of the entire Fixed Deposit amount along with accrued interest. In support of his submissions, the Ld. Adv. for the applicant has placed on record documentary evidence vide list of document at Exh.4.

3] From the perusal of application as well as documentary evidence produced on record vide m**ark 4/1 to 4/4** it appears that; in **M.A.C.P. No.463/2024**, preferred by present applicant claiming compensation amount and as per the order of Hon'ble Motor Accident Claims Tribunal **Rs.1,54,140/-** was deposited in name of applicant vide F.D.

Receipt No.0013284 on dtd.15/03/2025 with Indian Bank, Rajkot. Further, as per the say of applicant, his economic condition is not good and only for getting the settled money he has compromised the claim case in Lok-Adalat.

4] Before proceeding further it is trite to keep in mind that the Hon'ble Apex Court has observed in many cases that; **the underlying idea behind giving direction to deposit a portion of awarded amount of compensation in a fixed deposit (F.D.) to ensure the injured person or their dependents benefit from the compensation over time, particularly in cases involving minors or those requiring financial prudence. This practice is designed to protect vulnerable claimants and prevent the immediate dissipation of funds.**

5] Having considered the submissions made in the present application and the record of Motor Accident Claim Petition No. 463 of 2024, it appears that the claim petition was disposed of by way of settlement and a total compensation of Rs.5,00,000/- was awarded in favour of the applicant. Out of the said amount, only 50% was released and the balance amount of Rs.1,54,140/- was invested in Fixed Deposit pursuant to the order passed by this Tribunal.

6] It is pertinent to note that, in matters settled before the Lok Adalat, the prevailing practice and guidelines generally followed by the Tribunal are that where the total compensation amount is Rs.5,00,000/- or less, the entire amount is ordinarily released to the claimant instead of being kept in long-term fixed deposit, unless special circumstances warrant such investment. The purpose of directing investment in fixed deposit is to safeguard substantial compensation amounts and protect vulnerable claimants from dissipation of funds. In the present case, the total award itself is only Rs.5,00,000/-, and no material is placed on record indicating any special circumstance requiring continued retention of the amount in fixed deposit.

7] The applicant has further stated that he is facing financial hardship and has no other effective source of income or support. The fixed deposit amount represents compensation awarded for the injuries suffered in the accident and is intended for the welfare and rehabilitation of the claimant. In these circumstances, continued retention of the amount in fixed deposit till 15.07.2030 would defeat the beneficial object of the compensation awarded under the Motor Vehicles Act.

8] Accordingly, considering the prevailing practice followed in Lok Adalat settlements involving compensation of Rs.5,00,000/- or less, the absence of any special reason for continued investment, and the financial condition of the applicant, the present application deserves to be allowed.

9] In view of the guidelines of the Hon'ble Apex Court and the discussions made hereinabove, this Tribunal finds following order judicious.

O R D E R

01. This application is hereby allowed.

02. The applicant **Bhutiya Mahesh Subhashbhai** hereby permitted to withdraw the entire amount of fixed deposit lying with **F.D.R. No.0013284** in his name in Indian Bank, Rajkot.

03. The concerned Bank is hereby directed to pay the entire amount of **FDR No.0013284** after proper verification as per banking rules.

Pronounced in open Court today on this **20th day of June, 2026**

[IKRAMKHAN BASIRKHAN PATHAN]
Chairman M.A.C.T. (AUX.) &
3rd Addl. District Judge, Rajkot.
[UIC – GJ000614]

Date :20/06/2026
Place : RAJKOT
//V.V.Pandey//