

**MFA NO. 204050/2025 (MV - I - CA) Connected Cases: MFA  
NO. 204204/2025**

**IN THE HIGH COURT OF KARNATAKA AT KALABURAGI**

[ASHOK VS. MOHAMMED AZHAR AHMED AND ANOTHER]

12.06.2026

(VIDEO CONFERENCING / PHYSICAL HEARING)

CORAM: HON'BLE MR. JUSTICE K V ARAVIND

**ORAL ORDER ON I.A.1/2026**

**IN MFA NO.204204/2025**

This application is filed by the claimant seeking release of the compensation.

This Court heard learned counsel for both sides for some time for final disposal. It is brought to the notice of this Court that as the accident has occurred after amendment to Section 149 of the Motor Vehicles Act, 1988 wherein pay and recovery cannot be ordered. It is submitted that some of the High Courts held pay and recovery is permissible even after amendment. However, it is submitted that one of such judgments of the High Court is stayed by the Hon'ble Supreme Court.

In that view of the matter, this Court is inclined to consider the application for release of compensation considering the nature of injuries suffered by the claimant.

The total compensation awarded by the Tribunal is  
Rs.11,17,310/-₹

Sri S.S.Aspalli, learned counsel appearing for the insurer submits that 50% of the award with interest is deposited before the Tribunal. Learned counsel for the insurer opposes the application for release on the ground that if the principle of pay and recovery is made inapplicable for the accidents post amendment, the amount in deposit withdrawn by the claimant cannot be recovered.

This Court finds that such submission is only an apprehension and if liability is enforced against the owner of the vehicle in execution of the judgment and award, the Execution Court can always retain the amount released from the deposit of the insurer and release the remaining compensation in favour of the claimant. The pendency of the matter before the Hon'ble Supreme Court should not create further prejudice to the claimant.

For the above reasons, this Court is inclined to permit the claimant to withdraw 50% of the amount in deposit i.e., 25% of the award with interest, subject to the condition that if judgment and award is enforced against the owner of the vehicle, proportionate amount with interest shall be paid to the insurer from the released sum.

List this matter after ten weeks.

Call for the Trial Court records after withdrawal of the amount as permitted above.

**Sd/-  
(K V ARAVIND)  
JUDGE**

Srt  
List No.: 1 Sl No.: 17