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CR-1066-2026

IN THE HIGH COURT OF MADHYA PRADESH
AT INDORE

BEFORE

HON'BLE SHRI JUSTICE VINAY SARAF

ON THE 29th OF OCTOBER, 2026CIVIL REVISION No. 1066 of 2026

CNR No.: MPHC020366622026

*SMT. SHAHIN AND OTHERS**Versus**THE NEW INDIA ASSURANCE CO. LTD THROUGH BRANCH MANAGER
AND OTHERS*

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Appearance:

Shri Akhil Godha - Advocate for the petitioners.
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ORDER

1. The petitioners have impugned order dated 31.7.2026 passed by the learned Member, Motor Accident Claims Tribunal, Neemuch, District Neemuch in MACC No. 141/2024, whereby the learned Tribunal has recalled the earlier order dated 3.7.2026 to the extent that the amount, which is required to be invested in FDR, can be invested only in bank account maintained with Union Bank of India. The tribunal further passed the order dated 5.8.2026 and explained that the Supreme Court in W.P.(C) No.7/20224 (the correct number is Suo Motu W.P. (C) No.7/2024) by order dated 22.4.2025 issued the directions to the High Courts and in compliance M.P. High Court has created an integrated online system for disbursement of the claim amounts to the claimants directly in their bank account maintained with UBI and by order dated 25.9.2025 issued by the Hon'ble Chief Justice of M.P. High Court and one Letter No. B/7344/Reg.(I.T.)/2025 dated 8.10.2025, it has been directed to create fixed deposit receipts only in Union Bank of India, therefore in view of the order passed by the Supreme Court, the



directions issued by the Hon'ble Chief Justice and letter issued by the Registry, the amount can be transferred only in the bank account of the claimant maintained with Union Bank of India for the purpose of investing in FDR.

2. These two orders have been challenged by the claimants on the ground that there is no such instructions issued either by the Supreme Court or by the Hon'ble Chief Justice of M.P. High Court or the Registry of M.P. High Court that the amount can be transferred only in the bank account of the claimant maintained with the Union Bank of India. The counsel appearing on behalf of the petitioners submits that the amount can be transferred in the bank account of the claimant directly maintained with any branch of any Nationalized Bank.

3. This Court considering the importance of the issue involved in the matter issued direction to the Principal Registrar of this Court to depute an officer or counsel of the Registry to attend the date of hearing and explain the procedure prescribed by the High Court. Today Shri Anil Kumar, Registrar (Judicial) and Shri Surya Prakash Sharma, Registrar (I.T.) are connected through V.C. They explained that the Hon'ble Chief Justice and the Registry of the High Court have never directed to the tribunals to insist upon opening bank account in the Union Bank of India, rather the direction has been issued in compliance of the Supreme Court order to transfer the amount of compensation directly to the bank accounts of the claimants maintained with any Nationalized Bank in any branch.

4. This Court has considered the explanation given by the officers of registry and also the compliance report dated 27.10.2026, whereby it is explained to the Court that there is no administrative instructions, which mandate to create Fixed Deposit Receipt in any particular or specific bank and the amount may be transferred to any bank account of the claimant maintained with any Nationalized Bank.



5. The Supreme Court in **Suo Motu W.P. (C) No.7/2024** issued direction as under:-

"9. Till the rules are not framed, the High Courts shall either issue practice directions or formulate rules of procedure by incorporating the following provisions:

a) While filing claim petitions under the 1988 Act, following particulars shall be incorporated:

(i) Names and addresses (local and permanent) of the injured persons or the owners of the damaged property, as the case may be, their Aadhar and PAN details and email-id, if any; and

(ii) Names and addresses (local and permanent) of all the legal representatives of the deceased victim of the accident who are claiming compensation, their Aadhar and PAN details and email-id, if any;

(b) If the aforesaid details are not furnished, the registration of the application should not be refused on that ground, but MAC Tribunals at the time of issuing notice may direct the applicant(s) to furnish the information and make the issue of the notice subject to making compliance;

(c) While passing an interim or final order of grant of compensation, the MAC Tribunals shall call upon the person or persons held entitled to receive compensation, to produce their bank account details along with either a certificate of the banker giving all details of the bank account of the person or persons entitled to receive the compensation including IFS Code, or a copy of a cancelled cheque of the bank account. The Tribunal shall call upon the claimants to produce the documents within a specified reasonable time;

(d) A further direction shall be issued to the persons entitled to receive compensation to keep on updating information regarding the bank accounts, email id, in case there is any change;

(e) In the event a consent award or consent order is made, the MAC Tribunals may direct the deposit of the compensation amount ordered to be released to the claimants directly to the bank accounts of the persons held entitled to receive compensation. However, the consent terms must contain all relevant account details of the persons entitled to compensation in accordance with clause (c) above. The account details can also be incorporated in the order passed for the disbursement of the amount on the basis of a compromise between the parties. In case of compromise before the Lok Adalats, the MAC Tribunal, on the basis of the settlement, shall pass a consequential order in the above terms;

(f) It shall be the duty of the learned Judges presiding over the MAC Tribunal to verify from the certificate issued by the banker and



ascertain whether the account is of the persons held entitled to receive compensation;

(g) The MAC Tribunals, while passing orders of withdrawal/disbursement, shall, in the ordinary course, pass an order of transfer of the requisite amounts directly to the bank account of the person/s entitled to receive compensation as per the account details furnished. If there is a long gap between the date of furnishing the account details and the date of filing application for withdrawal of the amount, the Tribunal will be well advised to get fresh account details of the claimants;

(h) Whenever the MAC Tribunal passes an order of deposit of compensation amount with the Tribunal, there shall be a direction issued to invest the amounts to be deposited in fixed deposit with any nationalised bank and the fixed deposit shall be with the standing instructions to the bank to renew the same after periodical intervals till further orders are passed by the Tribunal;

(i) Similarly, practice directions/rules be framed in respect of adjudication made under the 1923 Act. The above directions issued while passing awards in claims under the 1988 Act shall be applied in case of the claims for compensation under the 1923 Act;

(j) The Central Project Co-ordinator of e-court project or Registrar (Computer/IT) of the High Courts, as the case may be, with the help of the State Government, shall create a dashboard on which the information regarding the amounts lying deposited in connection with the compensation granted under 1988 or 1923 Acts shall be regularly uploaded with all details. It will help all concerned to implement the directions issued under this order;

(k) All the High Courts shall issue administrative directions to the MAC Tribunals and Commissioners under the 1923 Act to initiate a massive drive to ascertain the whereabouts of the persons who have been held to be entitled to receive compensation, but have not taken the same. This shall be done by taking the assistance of the District and Taluka Legal Services Authorities and para-legal volunteers;

(l) The State Governments shall provide assistance to the Legal Services Authorities of the local police officers/revenue officers of the district and taluka to trace the claimants who are held entitled to receive compensation;

(m) The State Legal Services Authorities shall monitor compliance with the directions issued in terms of clauses (k) and (l) above and report compliance within a period of four months from today."

6. Thereafter, as per the directions of the Hon'ble Chief Justice, the



Registrar General issued practice procedure for use of dashboard for disbursement of the amount in motor accident claim cases in compliance of the order of the Supreme Court dated 22.4.2025 (supra) and the order of the Hon'ble Chief Justice dated 25.9.2025. The following directions have been issued:-

"1. Direct all the Motor Accident Claims Tribunals to make the mandatory use of the dashboard for all payment transactions.

2. Direct all Motor Accident Claims Tribunals to enter the correct account details of their respective accounts into the dashboard.

3. Direct all the Motor Accident Claims Tribunals to enter the correct account details of the applicant in all pending cases into the dashboard, as well as in the cases that have been disposed of but where payments are yet to be made. The correct account details of the applicant should also be entered into the dashboard.

4. Direct all Motor Accident Claims Tribunals whose accounts are not with State Bank of India or Union Bank of India to open their accounts in Union Bank of India.

5. Direct all Motor Accident Claims Tribunals that each district's system office should submit the necessary KYC details of each Tribunal's account to the branch of Union Bank of India to generate a sub-merchant ID.

6. Ensure that vacant Motor Accident Claims Tribunals continue disbursement proceedings in cases decided by them and take necessary action through their Statistical Writer to authorize another operational Tribunal within their jurisdiction.

7. The Practice Procedure (attached) must be adhered to by all the insurance companies/depositors of the amount, as well as by the Court Reader and the Presiding Officer of the Tribunal, to ensure proper and secure functioning of the aforementioned dashboard."

7. Considering the directions issued by the Hon'ble Chief Justice and the Practice Procedure communicated by the Registrar General as well as the clarifications submitted by the Registrar (Judicial) and Registrar (IT), it appears that there is no such direction that for disbursement of the awarded amount or creation of the Fixed Term Deposit, the account is required to be opened in Union Bank of India. The claimant may open the account in any branch of any Nationalized Bank and upon submission of the details by the claimant of his bank



account maintained with the Nationalized Bank, the Tribunals are under obligation to transfer the amount directly to the account of the claimant. In case of requirement of investment of the amount in FDR, the relevant direction will be issued by the Tribunal to the concerning bank with whom the claimant is having bank account. If the amount is being disbursed through dashboard, then as per the present arrangement only Union Bank of India is integrated with the dashboard for preparation of FDRs and the FDRs can be create with Union Bank of India only, however, integration of other nationalised banks are in process and in future, other banks will also provide the same services.

8. Considering the above explanation, the present petition is disposed of with the following directions :-

- (i) The compensation amount will be directly transferred to the bank account of the claimant maintained with any branch of any nationalised bank;
- (ii) If amount is not being disbursed through Dashboard, the FDRs can be created in any branch of any nationalised bank;
- (iii) If amount is being disbursed through Dashboard, the compensation amount can be transferred to bank account of claimant directly and the account of the claimant may be maintained with any branch of any nationalised bank;
- (iv) In case of investing the compensation amount in FDRs through Dashboard, as on today only Union Bank of India is integrated and therefore the FDRs can be opened only in any branch of Union Bank of India, however, there will be no requirement of opening of any account in the Union Bank of India for the purpose of FDR by the claimant;
- (v) High Court is in process of integrating some other nationalised banks also and after integration the FDRs would be opened with those banks also.

9. The impugned orders dated 31-07-2026 and 05-08-2026 are hereby set



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aside with a direction to the Member MACT, Neemuch to reconsider the application filed by the claimant in the view of the above directions.

(VINAY SARAF)
JUDGE

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