**Read**: Direction issued by Hon'ble Supreme Court in the case of Bajaj Allianz General Insurance Co.ltd. v/s Union Bank of India and othrs, passed in Writ Petition (Civil) No(s). 534/2020, dated 16-11-2021.

# :: CIRCULAR ::

No.:MACT/ 104 /2022

Hon'ble Supreme Court in the case of Bajaj AllianzGeneral Insurance Co.ltd. v/s Union Bank of India and othrs, passed in Writ Petition (Civil) No(s). 534/2020, dated 16-11-2021 has passed certain directions whereby para (i) it has been observed as under...

"(i) A format for payment advised for remittance of compensation has been devised and followed in the Madras High Court and the Rajasthan High court and the same is extracted from the judgement of the Madras High Court in Divisional Manager vs. Rajesh, 2016 SCC Online Mad.1913, dated 11.03.2021. We thus direct that the same format will be followed across the country."

Hon'ble Madras Highcourt in the case of Divisional Manager vs. Rajesh (Supra) has passed certain directions in Para No.11. As per the directions Claims Tribubals are required to follw certain procedure before passing the Award and after passing the Award. Since Hon'ble Supreme Court in the above referred order dated 16.11.2021 has directed the Claims Tribunal across the country to follow the format and directions contained in the judgement passed by Hon'ble Madras High Court in the case of Divisional Manager vs. Rajesh (supra), all Claims Tribunals across Morbi District shall scrupulously follow the following format and directions from now on.

### PROCEDURE BEFORE PASSING AWARD

(I) The Claims Tribunals across Morbi District shall without exception, <u>at</u>

the time of commencement of trial and evidence on the side of claimants, obtain and ensure that the bank account details of all the claimants as follows:

- 1. Name of the claimant(s)/ victim(s) with address
- 2. Name of the Bank & Branch Bank IFSC Code Account No(s). of the claimant(s)/victim(s)
- 3. The first page of the bank pass-book, which will compulsorily contain the photograph of the claimant(s)/victim(s), duly attested by the Bank concerned, should be made available.
- 4. Wherever the claimant(s)/victim(s) are impleaded as respondents, before the claims tribunal or the Court, their account details, as above, will have to be furnished.
- (ii) In case after disclosure of the bank account details before the Claims
  Tribunal in terms of Clause (i), a new person is added in the account for
  any reason whatsoever, it is incumbent on the part of the claimant/victim
  to disclose the same to the Claims Tribunal, indicating the relationship of
  the newly added person to the claimant/victim and the purpose.
- (iii) The Claims Tribunals shall also obtain and ensure the marking of Pan Card of all the claimants, wherever available.
- (iv) If the claimant/victim does not have a Pan Card, the Claims Tribunal shall endeavour to advise the claimant/victim about the importance of having such a card, namely, to avoid higher Tax Deduction at Source, for their own benefit, before conclusion of trial. For this purpose, the District Legal Services Authorities and Taluka Legal Services Authorities can facilitate and provide assistance. A claimant/victim or his LRs need/s help of DLSA, Morbi, may contact the Full Time Secretary of the DLSA, Morbi. The Full Time Secretary of the DLSA, Morbi shall in turn provide all help and assistance in procuring the PAN Card and cost thereof shall be born by the claimant/victim or his LRs.

- (v) The Claims Tribunals may verify and confirm if the claimant/victim has an Aadhaar card, and if there is one, he may be called upon to mark a self attested copy of the Aadhaar Card.
- (vi) In case of minor claimants, their bank account details should be obtained and marked. The name of the guardian has to be specified.
- (vii) The Claims Tribunals shall ensure compliance of clause (i) above, before conclusion of trial.

### PROCEDURE AFTER PASSING AWARD

- (viii) The Claims Tribunals shall, as a matter of rule, direct the insurance companies or transport corporations or such other entities held liable to pay the compensation, to deposit the award sum to the credit of the bank account of the Claims Tribunal directly by NEFT or RTGS mode. The Registry of the District Court has opened separate account, the details thereof are available in the Registry of the District Court and webpage of the District Court, Morbi.
- (ix) The Insurance Companies and Transport Corporations and such other entities shall instruct their banks to ensure deposit of the award sums by way of Direct Bank Transfer to the given saving bank account of the Claims Tribunal containing the following information in the prescribed format, by way of compliance of the award.
  - 1. MACP Number
  - 2. On the file of (Claims Tribunal Name)
  - 3. Date of award
  - 4. Compensation
  - 5. Amount Income Tax Deduction at Source
  - 6. Bank Transaction Reference No./Unique Transaction Reference (UTR) No.

- After deposit the award amount the Insurance Companies and Transport Corporation and other entity are requested to furnish the particulars to the District Treasury officer and under intimation to this Court for maintaining the MACP deposit separate account in the District Court.
- The bank of the Claims Tribunal shall receive the deposited sum and (xi) capture the above information and furnish a statement of account on a daily basis to the Registry of the District Court to enable the Registry to reconcile the deposits of compensation and the respective MACPs towards which such deposits were made.
- On such deposits being made, the insurance companies and transport corporations and such other entities shall submit a letter to the Registry of District Court enclosing a copy of the said bank advice, in prescribed format as above, as per which the deposit was made to the bank account of the Claims Tribunal, to enable the Claims Tribunal to keep tab on the deposits made and the MACPs for which they were made, which is a fundamental need for a smooth implementation. The Payment advice for remittance of compensation is as under:

### PAYMENT ADVICE FOR REMITTANCE OF COMPENSATION From:

	••••••	Bank	• • • • •	•••••					
		To:							
		Court							
We	confirm	remittance	of	compensation	as	follows	on	instructions	
of	of(insurance company/transport corporation):-								
1. N	IACP Nui	mber							

- 2. On the file of (Claims Tribunal Name)
- 3. Place
- 4. Date of award
- 5. Amount Deposited
- 6. Income Tax Deduction at Source, if any Unique Transaction Reference (UTR) No.

- (xiii) The Insurance Companies, Transport Corporations and such other entities making such deposit, shall also send a copy of the payment advice in Clause (ix) to this Claims Tribunal concerned and serve a copy of the same on the claimants or their counsel as the case may be on the same day of deposit. The insurance companies can use email id to send these details on the same day at the earliest.
- (xiv) Insofar as tax deduction at source is concerned, Form 16-A of the IT Act should be provided to the claimant/victim on whose behalf the deduction has been made so as to enable him/her to seek refund of tax deducted.
- (xv) The Claims Tribunals shall ensure that the benefit of details of such bank account of the Claims Tribunal concerned are identified in the award itself, for compliance by those required to satisfy the award.
- (xvi) The Claims Tribunals shall ensure that as and when an order is passed for disbursal of compensation amount, it will ensure that such disbursal of compensation shall be made directly to the credit of the bank account of the claimant/victim, as the case may by NEFT or RTGS. The bank account details of the claimant/victim(s) shall be stated in the award/order of the Claims Tribunal.
- (xvii) The Claims Tribunals shall, in case of minor claimants, retain the amounts in court deposit until they attain majority. Thereafter, the Claims Tribunal shall ensure deposit of their shares by Direct Bank/Benefit Transfers to the accounts of the parties, who were minors. Wherever the Claims Tribunal feels it appropriate to direct withdrawal of interest for the benefit of the minor, interest shall be paid by direct transfer to the account of the minor.

- (xviii)The Claims Tribunals shall also ensure that in case the claimant or claimants die pending proceedings and legal representatives are brought on record, the same procedure as above in respect of claimants shall be strictly adhered to in respect of impleaded legal representatives also.
- (xix) The Claims Tribunals shall also ensure that in case of compromise being recorded in Lok Adalat proceedings, at the time of such compromise, the details of bank accounts, Pan Card (if available) of the claimant or claimants and/or legal representatives shall also be obtained and disbursal of the amount compromised shall also be only by way of NEFT/RTGS. In cases where the claimants or victims have Adhaar Cards, a self attested copy of the same may also be obtained.

Kindly take necessary action at your end.

Office of the:MAC Tribubal, Morbi.

Date:-15/02/2022

(A.D.OZA)
Principal District Judge &

MAC Tribubal (Main),

Morbi

# Copy forwarded with compliments for information & necessary action, to :-

- 1. The Additional /2nd Additional District Judge, Morbi
- 2. The President, Bar Association, Morbi/Wankaner/Halvad/Tankara/Maliya.
- 3. The Nazir, District Court Morbi.
- 4. D.L.S.A., Morbi/T.L.S.A., Morbi/Halvad/Wakaner/Tankara/Maliya (Mi)
- 5. Various Insurance company's Nodal Officers through email.
- 6. Concerned Notice Boards.
- 7. The Selected Office File.