



Jus Corpus Law Journal

Open Access Law Journal – Copyright © 2022 – ISSN 2582-7820
Editor-in-Chief – Prof. (Dr.) Rhishikesh Dave; Publisher – Ayush Pandey

This is an Open Access article distributed under the terms of the Creative Commons Attribution-Non-Commercial-Share Alike 4.0 International (CC-BY-NC-SA 4.0) License, which permits unrestricted non-commercial use, distribution, and reproduction in any medium, provided the original work is properly cited.

Claims Tribunal: Significance and Importance

R. Suraj Naick^a

^aDamodaram Sanjivayya National Law University, Visakhapatnam, India

Received 20 May 2022; Accepted 09 June 2022; Published 14 June 2022

In today's society, transportation plays a significant and important role. It has made people's lives considerably easier and simpler than they used to be. Because of an increase in population, technological advancement has also increased. Transportation is always advancing in terms of its technological capabilities. "Whether for professional or private purposes, there has been a notable rise in the utilisation of motor vehicles. Despite the advances in technology, we still have to deal with the unfortunate frequency of traffic accidents. This presents a number of challenges. Road accidents can be caused by a variety of factors, including excessive speeding, driving under the influence of alcohol, driver distractions like telephones, failure to comply with traffic rules, incorrect overtaking, and running red lights. Now, if someone were to have an accident due to terrible circumstances, what kinds of cures are there?"

Keywords: *claims tribunal, procedure, compensation, motor vehicle act, cases, remedies.*

CLAIMS TRIBUNAL

As a result of the Motor Vehicles Act of 1988, the Claims Tribunal was established. This Claims Tribunal was established with the main intention of providing victims of motor vehicle accidents with a remedy that is both more accessible and less costly. It is described in Section 165¹ of Chapter XII, which grants the State Government the authority to create Claims

¹ Motor Vehicles Act, 1988, s 165

Tribunals for the purpose of hearing compensation claims stemming from motor vehicle accidents that cause death or bodily harm to individuals or damage to the property of third parties. The organization's mission is to guarantee that victims of motor vehicle accidents get compensation in a timely and effective manner.

The Parliament of India enacted the Motor Vehicle Act in 1988, which is a piece of legislation that controls all elements of road transportation and automobiles. This statute superseded the Motor Vehicle Act of 1939, which it supplanted. Because of the passage of this legislation, those who were wronged may now access a remedy that is both prompt and efficient. However, under the provisions of the Motor Vehicle Act, an application for compensation may be brought directly to the claims tribunal without the need to pay *advalorem* (court fee) as was required before the implementation of this act. Claims for compensation for accidents involving the death or bodily harm of a person deriving from the use of motor vehicles, damages to the property of a third party arising from such an accident, or both, are handled by the Claims Tribunal, according to Section 165 of the Motor Vehicle Act of 1988. This section states that the Claims Tribunal is responsible for handling such claims. For the assessment of responsibility, one must refer to the substantive law in the law of torts and the Fatal Accident Act 1855. The Tribunal ought to use a summary method for the adjudication of claims, provided that the section in question does not deal with substantive law.

SETTING UP OF CLAIMS TRIBUNAL

As a direct consequence of a change made in 1956 to section 110² of the Motor Vehicles Act of 1939, the Motor Accidents Claims Tribunal came into existence at that time. The procedure for establishing a claims tribunal is known as the claim's tribunal establishment procedure. One or more Motor Accidents Claims Tribunals may be established by a state government for any region that is specified in the notice that is published in the Official Gazette. The ability of a state government to establish claims tribunals is one that may be used on a case-by-case basis, and the state government may, under certain conditions, decide against establishing a claims tribunal. No civil court should have the authority to hear any question relating to any claim for

² Motor Vehicles Act, 1939, s 110

compensation that may be adjudicated by the Claims Tribunal for that area where a Claims Tribunal has been established for that region. This is because the Claims Tribunal is the proper body to handle such matters. If there are two or more Claims Tribunals in a certain region, the State Government has the ability to manage the allocation of works between them via the use of either a general or special order. The number of individuals that serve on a Claims Tribunal is decided upon by the state government. It is necessary to select a chairman if there are two or more members. Members shall be disqualified from appointment consideration unless they meet all of the following criteria:

- He or She has served as a High Court Judge;
- He or She is now or has previously served as a District Judge;
- He or She is competent to serve as a District Judge or a High Court Judge.

PURPOSE OF CLAIMS TRIBUNAL

The establishment of the claim tribunal was done primarily with the goal of providing victims of automobile accidents with a more expedient resolution to their legal issues. It is common knowledge that, in the case of a collision involving a motor vehicle, an attempt is made to position the plaintiffs in a situation similar to the one that existed before the collision. The monetary remedy that is going to be supplied has to be adequate to put the injured person or claimants in the same situation as if they had not incurred the loss as a result of the respondent's mistake; nevertheless, no amount of compensation can compensate for the loss of, the suffering, or the life. And the primary goal is to deal with accidents that occur as a consequence of the usage of motor vehicles. This includes everything from motorcycle accidents to car accidents.

- A person's death or serious bodily injury
- Any property damage/loss or bodily injuries
- Or Both

WHO CAN CLAIM COMPENSATION?

Compensation can be claimed under Section 166³ of the Motor Vehicles Act of 1988. Except for the owner, driver, and insurer of the motor vehicle involved in the accident, the Tribunal has no jurisdiction to enforce any such claims against any other person or authority. The compensation can be claimed by:

- By the individual who has been injured by accident;
- By the property owner whose property has been harmed during that accident;
- By the injured person's lawfully authorised agent or all or some of the legal representatives of the deceased who died in the accident;
- Legal representatives of the deceased who died in the accident (If his family members appointed any Legal Representatives.

WHEN CAN ONE CLAIM COMPENSATION UNDER THE CLAIMS TRIBUNAL

There is no time limit for making a claim for an automobile accident; nevertheless, the Tribunal will be forced to provide an explanation for such an unusually long period of time.

PROCESS TO FILE A COMPLAINT UNDER CLAIMS TRIBUNAL

In the case that claims are made by third parties, the accident must be notified to the authorities as soon as possible, and subsequently, it must be reported to insurance companies. A person is required to report their damage to both the insurance officers and the police officers before they may get compensation for their losses. To be eligible for compensation under the Act, a claim for damages must be submitted by the owner, or in the case that the owner passes away, a petition for reimbursement may be submitted by the owner's closest relatives. ' In order to be eligible for compensation for damages under the Act, the owner must first register a claim; alternatively, in the case that the owner passes away, his next of kin may submit a claim for compensation on his behalf.

Documents That Are Required to Be Accompanied by The Petition is comprised of when a provisional claim is being filed due to a motor vehicle accident, one of the documents that

³ Motor Vehicles Act, 1988, s 166

must be supplied is a copy of the FIR that has been submitted to the closest police station. Original receipts for any costs that were spent while staying in the medical facility, as well as a copy of the patient's medical record and, if necessary, an injury certificate. In the event that the claimant has passed away, and the paperwork that pertains to them is requested. If the individual has passed away, you will need to provide a copy of the postmortem certification as well as the death certificate. Documents proving the identity of the claimants, original invoices for any costs incurred or money spent while the patients were hospitalized, and copies of their medical records.

COMPENSATION

The real damages sustained as a consequence of the accident are taken into consideration by the Tribunal. This may include things like the costs of medical care, income lost during the time of treatment, and so on. When someone dies, the number of dependents they leave behind is the primary factor that determines how much compensation they get. This is determined by employing a method known as the multiplier technique, which is an activity that involves taking into consideration factors such as the age of the deceased, the nature of the deceased's occupation, the number of dependents the deceased left behind, and the deceased's potential for the future.⁴

The Act also incorporates in its schedule a systematic method for determining compensation for occurrences that result in death or permanent disability. These situations are covered under the Act's schedule. The claimant is responsible for applying the methodology in the schedule to reach a decision on whether or not they will pursue compensation. The claimant is not needed to establish the respondent's negligence or fault, and as a result, the owner's obligation is based on a "no-fault" premise when they choose this route. This is one of the benefits of adopting this approach. The claimant is unable to make a claim for both the interim compensation and the permanent compensation at the same time, which is a downside of this system. After the Claims Tribunals have made an award in accordance with this section, the

⁴ Sneharghya Saha, 'All about relating to Motor Accident Claims and Compensation' (*Latest Laws*, 18 January 2020) <<https://www.latestlaws.com/articles/all-about-law-relating-to-motor-accident-claims-and-the-compensation>> accessed 12 May 2022

party that is obligated to pay any amount under the award must deposit the whole amount given in the manner specified by the Claims Tribunal within thirty days of the day that the compensation award was announced.⁵

COMPENSATION CONDITIONS

- The accident must include a motor vehicle.
- The accident must have led to the death of at least one person, caused injury to at least one other person, or resulted in any kind of loss or damage to any person or property, or both. There is also the possibility of damage being inflicted by a third party.

The Motor Vehicle Act of 1988 lays forth the specific responsibilities regarding compensation that have been listed above. You will find this information under section 168⁶.

POWERS OF CLAIMS TRIBUNAL

The Motor Accidents Claims Tribunal was formed under the Motor Vehicles Act to act as an alternative to the Civil Court. This was done with the intention of providing victims of motor vehicle accidents with a remedy that was less costly and more expedient. 'The Claims Tribunal shall, for the purposes of rendering any decision under this Act, have the same powers as a civil court under the Code of Civil Procedure, 1908. In the event of a collision involving a motor vehicle, the compensation claims are brought before a civil court.'⁷

A Claims Tribunal is constituted for a particular region that is specified in the notice for the purpose of adjudicating such claims in accordance with the framework of the Motor Vehicles Act and the Rules that were made under it. The processes will not begin until an application for compensation has been submitted.

The processes will not begin until an application for compensation has been submitted. After allowing both parties an opportunity to be heard and conducting an investigation into the claim, the tribunal will make a determination regarding the application and will then be

⁵ Sai Sangamitra, 'The Motor Vehicle Claim Tribunal' (*The Law Gurukul*, 12 March 2021) <<https://www.thelawgurukul.com/post/the-motor-vehicles-claim-tribunal>> accessed 12 May 2022

⁶ Motor Vehicle Act, 1988, s 168

⁷ Kaur Amanpreet, 'Law Relating to accidental claims in India a socio legal study' (*Shodhganga*, 19 November 2021) <<http://hdl.handle.net/10603/28179>> accessed 12 May 2022

required to issue an award that details the total amount of compensation that will be paid as well as the total amount of interest that will be paid. And the tribunal orders the individual's insurance company, if they have any, to pay the sum as compensation if the person has any insurance. Additionally, all of the functions of a civil court have been delegated to the tribunal. These powers include the authority to take sworn evidence, compel witness attendance, and order the discovery and production of documents. According to the provisions established by the Act, the Claims Tribunal also has all of the powers of a civil court, provided that these powers do not go against the conditions established by the Act.

APPEAL UNDER CLAIMS TRIBUNAL

Section 173 defines that within the first ninety days from the date of an award handed down by the Claims Tribunal, anyone who feels that the judgement was unfair may initiate an appeal with the High Court. This provision also specified that the High Court may consider the appeal after the ninety-day time has passed if the appellant was prevented from submitting the appeal within the ninety-day period by sufficient reason and the High Court has the authority to hear the appeal. If the amount that is in question in the appeal is less than ten thousand rupees, then an appeal cannot be brought against the verdict of the Claims Tribunal.⁸

JURISDICTION OF CLAIMS TRIBUNAL

The state government has the ability to make regulations that regulate the format of a compensation claim, and the state has the competence under section 166 subsection 2 to consider and resolve such an application via three different tribunals.

- The Court whose jurisdiction extends to include the region where the accident had a place.
- The Court or Tribunal whose jurisdiction covers the claimant's home or place of business.

⁸ Motor Vehicle Act, 1988, s 173

- The Court or Tribunal within the local borders of which the defendant lives and is subject to its jurisdiction.

DEFINITION OF MOTOR VEHICLE

A motor vehicle is any vehicle that is propelled by a mechanism other than human or animal power. If the vehicle in question is not operated by a mechanical mechanism, the Claims Tribunal does not have the authority to consider the matter. In the case of *Shrikishan v Dayaram*⁹, the owner encouraged a few youngsters to push a truck body that did not have an engine. During the process, one of the boys lost his balance and was run over by the vehicle, which ultimately led to the boy's death. Here Due to the absence of an engine, the truck chassis did not qualify as a motor vehicle and so the Claims Tribunal did not have the authority to consider the claim. Because of this, the application submitted by the claimant was rejected.

ACCIDENT IN PUBLIC OR PRIVATE PLACE

Claims Tribunals have the authority to consider compensation claims if an accident occurs as a direct consequence of the use of a motor vehicle. It is not required that the accident take place in a public space for the Claims Tribunal to have jurisdiction over the case. Section 165¹⁰ makes no such requirement. As a consequence of this, the Claims Tribunals have the authority to consider the case even if the accident took place on private land. In the event that an insurance company has granted an Act coverage in accordance with the requirements of Section 95¹¹ (1939 Act), the insurance company will not be required to pay the owner of the vehicle.¹²

IMPORTANCE OF CLAIMS TRIBUNALS

Prior to the establishment of the Claims Tribunal, individuals who had been injured in accidents, together with their legal heirs, representatives, and dependents, were eligible for compensation. Because the law regarding compensation for accident victims was not always clear, victims in cases of damage and legal representatives in cases of fatal accidents were required to endure tremendous hardships and pay a lot of court expenses in order to file

⁹ *Shrikishan v Dayaram* (1967)

¹⁰ Motor Vehicle Act, 1988, s 165

¹¹ Motor Vehicle Act, 1939, s 95

¹² Dr. R.K. Bangia, *Law of Torts* (25th edition, Allahabad Law Agency 2020) 483

compensation claims. This meant that victims could not always receive the compensation they were entitled to. And The only way to pursue repayment is to file a claim for damages in a civil court and pay an ad valorem charge, which is the cost of doing business in that particular court.¹³

A self-contained code is established by the Claims Tribunal in accordance with which claims may be submitted without the need of having to pay an ad valorem court fee. The primary objective behind the establishment of this Claims Tribunal was to provide an inexpensive and expedient solution for compensation claims resulting from incidents involving the use of motor vehicles that resulted in the death of persons or the infliction of bodily harm on other individuals. People who were dependent on the dead person or who were wounded in a car accident are eligible for aid and support from the tribunal. This power gives the tribunal the ability to fulfill this responsibility. According to the provisions, the tribunal does not have the authority to withdraw or refuse to accept the filing of an issue. It is necessary for a tribunal to reach a ruling on behalf of the appropriate party if it accepts an issue in order for the procedures to continue. The fact that the applicant has not presented any conclusions about the topic is not a sufficient reason for the tribunal to reject an issue.

The Tribunal has the jurisdiction to gather information from the medical department, the police department, and any other relevant authorities in order to administer justice to persons who have grown incapable of doing so for themselves.

THE RIGHT OF A PARTY TO CROSS-EXAMINE

The right of the respondents to cross-examine the petitioners has not been eliminated despite the fact that the Tribunal has chosen to proceed with the issue via the use of affidavits, which is a summary process. When the veracity of the information included in an application is called into question, the process cannot deny a party the opportunity to put questions to the

¹³ Swadh Rath, "Procedure and powers of Claims Tribunal" (*Legal Services India*) <<http://www.legalservicesindia.com/article/2385/Procedures-and-Powers-of-ClaimTribunals.html>> accessed 12 May 2022

other side via the use of cross-examination. In the matter of *Kalpana v Navinchandra, Ben M. Shah, and Jeevanlal Acharya*¹⁴, it was decided as such.

IMPORTANT CASE LAWS

MADARSAB SAHEBELA v NAGAPPA VITTAPPA

In this case, the claimant's son was sleeping on the field was killed on the spot after being run over by a truck. It was ruled that Section 110(1)¹⁵ (1939 Act) does not confine the Tribunal's jurisdiction to accidents happening in public places, and so the owner is legally obligated to pay the compensation ordered by the Tribunal even if the accident occurred in a private location.¹⁶

MANOJ KUMAR MUNDI v HARI GOPAL RAO

In this case, two trailers were parked in such a careless manner on a public lane. One of them was placed on top of the other. When the petitioner, Manoj Kumar, a 10-year-old kid, passed by the side of these two trailers, one of them slipped and fell on the appellant, as a result seriously injuring him. The claim for compensation, in this case, was dismissed by the Claims Tribunals because the two trailers were neither in motion nor being utilized as a motor vehicle at the time of the accident.¹⁷

G. GRAVAM v METROPOLITAN TRANSPORT CORPORATION

In this case, the petitioner was a passenger on a respondent's bus when it collided with a light post, causing the petitioner to suffer a severe bone fracture and lose his income for six months. It was decided that he had not put his hand outside the bus when he was injured, hence the petitioner was not liable for contributory negligence.¹⁸

ARVIND KUMAR MISHRA v N.I.A CO LTD AND RAJ KUMAR V AJAY KUMAR

¹⁴ *Kalpanaben M. Shah and Ors. v Navinchandra Jeevanlal Acharya* (1994) AIR 1995, Guj 176

¹⁵ Motor Vehicle Act, 1939, s 110(1)

¹⁶ *Madarsab Saheblala Kattimani v Nagappa Vittappa Katabugol* (1980) AIR 1981, Kant 117

¹⁷ *Manoj Kumar Mundi v Hari Gopal Rao Devasthale* (1977) AIR 1978, MP 29

¹⁸ *G Gnanamoorthy v Metropolitan Transport* (2008) Civil Appeal No. 7320/2008

In this case, it was ruled that all tribunals and high courts should be involved in determining the outcome as per *Govind Yadav V The New India Insurance Co. Ltd.*¹⁹ In this case, it was held that If the victim is permanently disabled, every attempt should be made to provide fair compensation, not only for the physical injuries and treatment but also for the loss of earnings and his inability to live a normal life and enjoy the amenities that he would have enjoyed had he not been injured.²⁰

CONCLUSION

A Claim Tribunal is a court that has been formed for the purpose of deciding and making decisions in relation to Claim Cases that have been presented in accordance with the Motor Vehicles Act 1988. The tragedy is that most of these victims are unaware of their rights to get compensation from the owners and drivers of the motor vehicles that caused the accident. Because of rash and negligent driving, these individuals are legally obligated to pay compensation for the injuries inflicted on the innocent victims, who, in most cases, belong to weaker sections of society. However, most of these victims are unaware of their rights to get compensation. The Motor Vehicles Act of 1988 includes comprehensive provisions for the establishment of claims tribunals by state governments, the procedure for victims seeking compensation, the procedure and powers of claim tribunals in making awards, insurance company liability, allowing the state government to make rules, awarding interest on the compensation amount, and providing for appeals. These provisions can be found between sections 165 and 176.

The primary function of the Claim's tribunal is to hear and decide cases involving matters such as Personal Injury Claims and Fatal Accident Cases. Regarding Claims Made for Damages a person who has been injured in an accident that was brought on by the operation of a motor vehicle has the right to file a claim with the Claims Tribunal in the jurisdiction where the claimant lives or where the claimant's company is located. Accidents on the road that result in serious injuries, including the loss of life, have emerged as a primary cause for worry. There are a significant number of accidents that take place on a daily basis as a direct consequence of

¹⁹ *Govind Yadav v The new India Insurance Co Ltd* (2011) Civil Appeal No. 9014/2011

²⁰ *Aroind Kumar Mishra v New India Assurance Co Ltd* (2010) Civil Appeal No. 5510/2005

the disturbing growth of road transport alien, which encompasses a wide variety of motor vehicles, including automobiles, buses, trucks, three-wheelers, and two-wheelers. It has brought about good developments via the establishment of the Claims Tribunal. Prior to this, one is required to approach a civil court, and one is responsible for paying court charges, and the procedure itself is delayed after this, one is able to immediately approach a claims tribunal without paying any price whatever.