

## SOLATIUM SCHEME, 1989<sup>1</sup>

*In exercise of the powers conferred by sub-section (1) of Section 163 of the Motor Vehicles Act, 1988 (59 of 1988), the Central Government hereby makes the following scheme for the payment of compensation to the victims of hit and run motor accident, namely:—*

**1. Short title and commencement.**—(1) This scheme may be called the Solatium Scheme, 1989.

(2) It shall come into force on the first day of July, 1989.

**2. Definitions.**—In the scheme unless the context otherwise requires,—

(a) “Act” means the Motor Vehicles Act, 1988 (59 of 1988).

(b) “Claims Enquiry Officer” means the Sub-Divisional Officer, Tehsildar, or any other officer in charge of the revenue sub-division of a Taluka in each revenue district of a State or such other officer not below the rank of Sub-Divisional Officer or a Tehsildar, as may be specified by the State Government.

(c) “Claims Settlement Commissioner” means the District Magistrate, the Deputy Commissioner, the Collector or any other officer-in-charge of a revenue district in a State appointed as such by a State Government.

(d) “Clause” means clause of this scheme.

(e) “District-level Committee” means a Committee set up under Clause 11.

(f) “Form” means a Form annexed to the Scheme.

(g) “Standing Committee” means a Committee set up under Clause 3.

(h) “Transport Commissioner” means an officer appointed as such by the State Government and includes the Director General of Transport, Director of Transport or the Controller of Transport, appointed by the State Government.

**3. Standing Committee.**—(1) There shall be a Standing Committee consisting of the following members, namely:—

- |  |               |
|--|---------------|
| (a) Joint Secretary (Transport)                    | .....Chairman |
| (b) Joint Secretary (Insurance)                    | .....Member   |
| (c) General Manager, General Insurance Corporation | .....Member   |

- (d) General Manager of each of Insurance Companies  
for the time being carrying on general insurance  
business in India .....Member
- (e) Transport Commissioners, one each from three States,  
nominated by the Central Government by rotation .....Member
- (f) Director/Deputy Secretary (Finance Division)  
Ministry of Surface Transport. ....Member
- (g) An officer of General Insurance Corporation, of the  
rank of Deputy General Manager (Accounts) .....Member Secretary

(2) The person nominated as member by virtue of an office shall cease to be a member when he ceases to hold that office.

(3) The term of office of the members nominated under sub-clause (a) of clause (1) shall be for a period of one year.

**4. Remuneration of members of Standing Committee.**—A member shall not be paid any remuneration, except travelling and daily allowance at the rates admissible to him and be paid from the source he draws salary.

**5. Powers and functions of the Standing Committee.**—The Standing Committee shall:

(i) periodically review the working of the scheme and its implementation and direct corrective steps, wherever necessary;

(ii) considering the issues raised in the report of the District-level Committee and provide guidance or directions, wherever called for.

(iii) framing regulations for conduct of business by Standing Committee and District-level Committee.

**6. Meeting of the Standing Committee.**—The Standing Committee shall meet at such time, date and at such a place as a Chairman may, from time to time, appoint in this behalf:

Provided that the Committee shall meet at least twice a year.

**7. Quorum.**—Not less than three members shall form a quorum:

Provided that if at any meeting there is no quorum, the Chairman may adjourn the meeting to a date not less than seven days later, informing the members present and sending notices to other members that he proposes to dispose of the business at the adjourned meeting, whether there is a quorum or not and he may thereupon dispose of the business at such adjourned meeting.

**8. Decision by majority.**—Every matter shall be determined by the majority of votes of the members present and voting and in case of equality of votes, the Chairman shall have a casting vote.

**9. Notice of meeting.**—(1) Notice shall be given by the member-Secretary to every member of the time, date and place fixed for each such meeting at least seven days before such meeting and each member shall be furnished with a list of business to be disposed of at the said meeting:

Provided that when an urgent meeting is called by the Chairman, such notice shall not be necessary. However, member-Secretary shall send an intimation to each member.

(2) No business which is not on the list of business shall be considered at a meeting without the permission of the Chairman.

**10. Minutes of the meeting.**—The proceedings of each meeting of the Standing Committee shall be circulated to all members and thereafter recorded in a minutes book which shall be kept as permanent record. The record of the proceedings of each meeting shall be signed by the Chairman.

**11. District Level Committee.**—(1) There shall be a District Level Committee in each District consisting of the following members, namely:—

- (a) Claims Settlement Commissioner .....Chairman
- (b) Claims Enquiry Officer, nominated by the State Government .....Member
- (c) The Regional Transport Officer or any other officer of Motor Vehicles Department as nominated by the State Government .....Member
- (d) Any member of the public or, a voluntary organisation connected with the road safety aspects nominated by the Chairman.
- (e) Divisional Manager of the Insurance Company .....Member-Secretary

(2) A person nominated as a member by virtue of an office shall cease to be member when he ceases to hold that office.

2[(3) The term of office of the members nominated under items (b), (c) and (d) of sub-clause (1) shall be determined by the State Government.]

**12. Remuneration of Member of the District Level Committee.**—A member shall not be paid any remuneration except travelling and daily allowance at the rate admissible to him in his respective Department and be paid from the source he draws salary. A member nominated under clause (d) shall be paid travelling allowance/dearness allowance by General Insurance Corporation, at the rate as may be decided by the General Insurance Corporation.

**13. Powers and functions of District Level Committee.**—The District Level Committee shall undertake all functions connected with the implementation of the scheme at the District Level. It shall also perform functions such as:

(i) to evaluate the progress of implementation of the scheme in the concerned District and take corrective steps, wherever necessary;

(ii) to submit a report on quarterly basis to the Standing Committee. The report shall *inter alia* include statistics month-wise, about the claim applications received, awarded, pending and reasons for pendency;

(iii) to keep close liaison with other authorities in the district so as to ensure that scheme gets adequate publicity;

(iv) to provide guidance/clarifications to concerned authorities wherever called for.

**14. Meeting of the District Level Committee.**—The District Level Committee shall meet at such time, date and at such place, within the concerned District itself, as the Chairman may, from time to time, appoint in this behalf:

Provided that the Committee shall meet at least once in each quarter.

**15. Quorum.**—Not less than two members shall form a quorum.

**16. Decision by majority.**—Every matter shall be determined by a majority of vote of the members present and voting. In case of equality of votes, Chairman shall have a casting vote.

**17. Notice of meeting.**—(1) Notice shall be given by member-Secretary to each member of the time, date and place fixed for the meeting at least seven days before such a meeting and each member shall be furnished with a list of business to be disposed of at the said meeting:

Provided that when an urgent meeting is called by the Chairman, such notice shall not be necessary. However, member-Secretary shall send an intimation to each member.

(2) No business which is not on the list of business shall be considered at a meeting without the permission of the Chairman.

**18. Minutes of the meeting.**—The proceedings of each meeting of the District Level Committee shall be circulated to all members and thereafter recorded in a minute book which shall be kept as a permanent record. The record of the proceedings of each meeting shall be signed by Chairman.

**19. Nomination of insurance company.**—General Insurance Corporation shall nominate any of its office or an insurance company in each District for settlement of claims under section 161 of the Act and of this scheme.

**20. Procedure for making the claim application.**—(1) The applicant shall submit an application seeking compensation under this scheme in Form I alongwith duly filled in discharge receipt in Form II and the undertaking in Form V to the Claims Enquiry Officer of the Sub-Division or Taluka in which the accident takes place.

(2) An application under clause (1) shall be made within a period of six months from the date of the accident:

Provided that an application made after six months but not after 12 months from the date of the accident may be accepted by the Claims Enquiry Officer, if he is satisfied that there are reasonable grounds to condone the delay.

(3) Where the Claims Enquiry Officer does not accept the grounds advanced by the applicant he shall record speaking orders and communicate to the applicant reasons for not accepting the claim application.

**21. Procedure to be followed by the Claims Enquiry Officer.**—(1) On receipt of claims application, the Claims Enquiry Officer shall immediately obtain a copy of the FIR, inquest report, post mortem report or certificate of injury, as the case may be, from the concerned authorities and hold enquiry in respect of claims arising out of hit and run motor accidents.

(2) It shall be the duty of the Claims Enquiry Officer—

(a) to decide as to who are the rightful claimants, where there are more than one claimants;

(b) to submit, as early as possible, and in any case within a period of one month from the date of receipt of application a report in Form III alongwith duly discharged receipt in Form II and the undertaking in Form V alongwith his own recommendation.

(3) Where the Claims Settlement Commissioner has returned any report to the Claims Enquiry Officer for further enquiry under sub-clause (2) of clause 22, the Claims Enquiry

Officer shall make such additional enquiries as may be necessary and re-submit the report to the Claims Settlement Commissioner within 15 days for final order.

**22. Sanctioning of claims.**—(1) On receipt of report of the Claims Enquiry Officer, the Claims Settlement Commissioner shall sanction the claim, as far as possible, within a period not exceeding fifteen days from the date of receipt of such report and communicate the sanction order in Form IV alongwith duly discharge receipt in Form II and the undertaking in Form V to the nominated officer of the insurance company, with a copy to the following:—

- (a) the Claims Enquiry Officer.
- (b) the claimant.
- (c) the concerned Motor Accident Claim Tribunal.
- (d) the concerned Transport Commissioner.
- (e) General Insurance Corporation headquarters.

(2) Where the Claims Settlement Commissioner has any doubt in respect of the report submitted by the Claims Enquiry Officer, he shall return the report to the Claims Enquiry Officer for further enquiry, indicating the specific points on which the enquiry is to be made.

**23. Payment of compensation.**—(1) In the case of claims arising out of the death, the payment shall be made to the legal representatives of the deceased decided by the Claims Enquiry Officer.

(2) In the case of claims arising out of grievous hurt, the payment shall be made to the person injured.

(3) The nominated office of the insurance company, immediately on receipt of the sanction order in Form IV together with discharge receipt in Form II and undertaking Form V shall make the payment to the claimant and despatch cheque/demand draft to the claimant through registered post AD and simultaneously send intimation to all the concerned authorities to whom the copy of the sanctioned order is endorsed.

(4) The payment to the claimant by the insurance company shall be made within 15 days from the date of receipt of the sanction order together with discharge receipt and wherever delay occurs, reasons therefore shall be explained to the Claims Settlement Commissioner.

(5) Registered letters containing cheque/demand draft, if returned undelivered from claimants shall be placed before the Claims Settlement Commissioner for further directions.

(6) The nominated officer of the insurance company shall furnish money return giving number and the date of the sanction order, date of receipt of sanctioned order payments made, sanction order pending for payment, to the Claims Settlement Commissioner with a copy to Claims Enquiry Officer and General Insurance Corporation Headquarters, Bombay.

**24. Annual report.**—The General Insurance Corporation shall prepare to place an annual report on the working of the scheme before the Standing Committee and also forward a copy to the Central Government.

## FORM I

[Clause 20 (1)]

### **Form of application for compensation from Solatium Fund**

I, .....son\*/daughter\*/widow\* of Shri ..... residing at ..... having been grievously injured in motor vehicle accident hereby apply for grant of compensation for the grievous injuries sustained. Necessary particulars in respect of the injury sustained by me are given below:—

I, .....son of/daughter of/widow of\* Shri ..... residing at ..... hereby apply as a legal representative/agent for the grant of compensation on account of death/injuries sustained by Shri/Shrimati/Kumari .....son of/daughter of/widow\* of Shri .....who died/had sustained injuries in a motor vehicle accident on ..... at ..... Particulars in respect of accident and other information are given below:—

1. Name and father's name of person injured (husband's name in case of married woman or widow):
2. Address of the person injured/dead:
3. Age.....Date of Birth.....
4. Sex of the person injured/dead:
5. Place, date and time of the accident:
6. Occupation of the person injured/dead:
7. Nature of injuries sustained:

8. Name and address of Police Station in whose jurisdiction accident took place or was registered:

9. Name and address of the Medical Officer/Practitioner who attended on the injured/dead:

10. Name and address of the claimant/claimants:

11. Relationship with the deceased:

12. Any other information that may be considered necessary or helpful in the disposal of the claim:

I hereby swear and affirm that all the facts noted above are true to the best of my knowledge and belief.

SIGNATURE OF THE CLAIMANT

\*Strike out whichever is not applicable.

FORM II

[Clause 20 (i)]

ANNEXURE - SANCTION ORDER NO.

Dated:.....

**Discharge Receipt**

Received with thanks from .....Insurance Co. Ltd. sum of Rs.....being the compensation under hit and run provisions of the Motor Vehicles Act in full and final settlement of my claim for the accident occurred to me/to the deceased person.....(name of deceased) on.....(date of accident) at.....(name of place).

Signature on revenue stamp

by beneficiary/victim

WITNESS:

FORM III

[Clause 21 (2) (b)]

**Claims enquiry report to be submitted by the Claims Enquiry Officer to the Claims Settlement Commissioner**

1. Name and address of the person dead/injured:
2. Place, time and date of the accident:
3. Particulars of the Police Station in which the accident was registered:
4. Particulars of the Medical Officer/Practitioner who examined the dead/injured:
5. Particulars of persons summoned and examined:
6. Whether the fact of death/injury by hit and run motor accident has been established or not and the reason for coming to that conclusion:
7. The name and address of claimant(s) eligible for payment of compensation:
8. The amount of compensation recommended for payment to the claimant. (In case of more than one claimant the amount each one of the claimants is eligible and the reasons thereof shall be specified).
9. Any other information or records relevant or useful for the settlement of the claim.

Signature, designation  
of the Claims Enquiry Officer.

Seal:

Date:

FORM IV

[Clause 22 (1)]

Serial No.....  
Claims Settlement Commissioner  
District.....

**ORDER**

I hereby sanction Rs. 8500/2000 (Rupees Eight Thousand Five Hundred only)/(Rupees Two Thousand only) as compensation in respect of the death of .....(Name of deceased)/grievous hurt to.....(Name of the injured) resulting from hit and run motor accidents which took place at.....(Name of place) on.....(Date) to Shri/Shrimati/Kumari.....as legal representative of the deceased (.....) or to.....(Name of injured).

Claims Settlement Commissioner

CC to:—

1. Office of the Insurance Company;
2. The Claimant;
3. Motor Vehicles Accident Claims Tribunals;
4. Claims Enquiry Officer;
5. General Insurance Corporation of India, Churchgate, Bombay-400020.

FORM V

[Clause 20(1)]

(Under section 162 of the Motor Vehicles Act, 1988)

I/We.....as legal representative(s) of the deceased/injured.....hereby give undertaking that I/we shall refund the amount of compensation awarded to me/us under sanction order No.....dated..... by the Claims Settlement Commissioner.....to the insurer in case I/we am/are awarded any other compensation or amount in lieu of or by way of satisfaction of a claim for compensation in respect of death or grievous hurt to.....under any other provisions of the Motor Vehicles Act, 1988 or any other law for the time being in force or otherwise.

Signature of the legal representative

of the deceased/injured person.

\_\_\_\_\_

1. *Vide* S.O. 440 (E), dated 12th June, 1989, published in the Gazette of India, Extra., Pt. II, Sec. 3 (ii), dated 12th June, 1989.

2. Subs. by S.O. 668 (E), dated 7th October, 1991 (w.e.f. 7-10-1991).