

**316 IN THE HIGH COURT OF PUNJAB AND HARYANA
AT CHANDIGARH**

**FAO No.1905 of 1996 (O&M)
Date of decision : November 07, 2016**

Punjab Small Industries and Export Corporation Ltd. Petitioner

Versus

Union of India and others

..... Respondents

CORAM : HON'BLE MR. JUSTICE KULDIP SINGH

Present:- Mr. Anil Malhotra, Advocate for the petitioner.

Mr. R.M. Suri, Advocate for respondent Nos.1 and 2.

1. Whether the Reporters of local newspaper may be allowed to see the judgment ?
2. To be referred to the Reporter or not.
3. Whether the judgment should be reported in the digest ?

KULDIP SINGH J. (ORAL)

The appellant-Corporation in this case purchased a consignment of 56.00 M.T. of pig iron from Steel Authority of India Ltd. This consignment was booked ex-Rourkela to Goraya and was loaded in wagon No.SE 66962. Out of 22 wagons despatched to Goraya on 31.03.1990, 21 wagons arrived at the destination on different dates but wagon No.SE 66962 did not arrive at Goraya till 26.07.1990 when the non-arrival certificate was issued by the railways. The appellant, accordingly, lodged claim under Section 78-B of the Indian Railways Act. When the same was not replied, the application for compensation was filed before the Railway Claims Tribunal, Chandigarh Bench, Chandigarh (in short 'the Tribunal).

The Tribunal after considering all the facts and circumstances decided the matter in favour of the appellant and held that the appellant is entitled to Rs.2,25,097.60 along with interest 12% per annum from the date

of filing the claim application i.e. 08.04.1992 till the payment is made,

being the price of the said non-delivered pig iron. However, while granting the interest, the same was allowed from the date of filing of the claim application i.e. 08.04.1992 till the payment is made.

I have heard learned counsel for the parties and have also carefully gone through the case file.

The short point raised before this Court for consideration is as to whether the interest is to be allowed from the date of delivery of goods to railway or from the date of filing of the claim application?

After hearing learned counsel for the parties, I am of the view that non-delivery certificate was issued on 26.07.1990, therefore, the railway was liable to pay the interest on price of the said non-delivery of goods at least from 26.07.1990. Since the price of the non-delivered goods was allowed. Therefore, the appellant is entitled to interest from 26.07.1990, when non-delivery certificate was issued.

Accordingly, the present appeal is allowed and the interest as ordered by the Tribunal shall be payable from 26.07.1990 instead of 08.04.1992, when the non-delivery certificate was issued.

(KULDIP SINGH)
JUDGE

November 07, 2016

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Whether speaking / reasoned Yes

Whether Reportable: Yes