

THE HON'BLE DR.JUSTICE SHAMEEM AKTHER

C.M.A.No.35 of 2013

JUDGMENT:

This Civil Miscellaneous Appeal, under Section 23 of the Railway Claims Tribunal Act, 1987, is filed by the appellants-applicants, challenging the order, dated 18.10.2012, passed in O.A.A.No.254 of 2007 by the Railway Claims Tribunal, Secunderabad Bench at Secunderabad ('the Tribunal', for brevity).

2. Heard both sides. Perused the record.

3. The learned counsel for the appellants-applicants would contend that the Tribunal awarded interest @ 9% per annum from the date of the award of the Tribunal till realisation, which is contrary to the law laid down by the Apex Court in Tahazhathe Purayil Sarabi and Others Vs. Union Of India and another¹ and ultimately prayed to award interest on the amount granted as compensation @ 6% per annum from the date of presentation of the claim petition before the Tribunal till the date of award; and @ 9% per annum from the date of award till realization.

4. On the other hand, the learned Standing Counsel for the respondent-Railways would contend that the appellants-applicants are not entitled for grant of interest @ 6% per annum from the date of presentation of the claim petition before the Tribunal till the date of award. The Tribunal rightly granted interest @ 9% per annum on the amount granted as compensation from the date of the award till realisation. There are no circumstances to interfere with the impugned

¹ 2009 ACJ 2444

order and ultimately prayed to dismiss the appeal by confirming the order under challenge.

5. Conflicting opinions existed as to the award of interest on the compensation awarded in the claim petitions filed under the Railway Claims Tribunal Act, 1987. One view was that the Tribunal has the discretion to stipulate the date with effect from which the interest would accrue and that the claimant/s do not have the right to insist the Tribunal for awarding interest from the date of presentation of the claim petition. In certain cases, it was observed that interest on the compensation must be awarded from the date of presentation of claim.

6. The controversy or the difference of opinion has been set at rest by the Apex Court in Tahazhathe Purayil Sarabi's case supra, wherein, it was held that the amount awarded as compensation by the Railway Claims Tribunal shall carry interest @ 6% per annum from the date of presentation of the claim petition till the date of award; and @ 9% per annum from the date of award till realization.

7. Following the said decision, this Civil Miscellaneous Appeal is disposed of directing that the compensation of Rs.4,00,000/- granted by the Tribunal in favour of the appellants-applicants shall carry interest @ 6% per annum from the date of presentation of the claim petition before the Tribunal till the date of award; and @ 9% per annum from the date of award till realization. No costs.

Pending Miscellaneous Petitions, if any, shall stand closed.

Dr. SHAMEEM AKTHER, J

12th October, 2018
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