

THE HON'BLE DR.JUSTICE SHAMEEM AKTHER

CIVIL MISCELLANEOUS APPEAL No.235 OF 2014

JUDGMENT:

This Civil Miscellaneous Appeal, under Section 23 of the Railway Claims Tribunal Act, 1987, is directed against the order, dated 04.09.2012, passed in O.A.A.No.117 of 2001 on the file of the Railway Claims Tribunal, Secunderabad Bench at Secunderabad for not granting interest on the compensation amount of Rs.2,00,000/- awarded for the injuries sustained by the applicant at the rate of 12% per annum from the date of filing of the claim petition till the date of remand.

2. Heard the learned counsel for the appellant/applicant and the learned Standing Counsel for the respondent/Railways and perused the record.

3. Considering the evidence on record, the Tribunal awarded compensation of Rs.4,00,000/- against which the respondent-railways carried the matter in appeal before this Court and this Court through order dated 22.03.2011 allowed the appeal and remanded the matter to the Tribunal for fresh consideration. On remand, the Tribunal through the impugned order granted an amount of Rs.4 lakhs as compensation. It also took note of the submission of the learned counsel for the respondent-railways, that the applicant has been paid Rs.2,03,900/- towards 50% of the compensation together with interest and proportionate costs and accordingly, directed the respondent to pay remaining amount of compensation of Rs.2 lakhs within two months from the date of the impugned order with interest at 9% per annum from 22.03.2011

till the amount is paid. The only dispute in this appeal is with regard to award of interest.

4. Learned counsel for the appellant/applicant contended that the Tribunal ought to have awarded interest at the rate of 12% per annum from the date of application till the date of remand, but not from the date of remand order of the High Court i.e., 22.03.2011; and prays to allow the appeal.

5. On the other hand, learned Standing Counsel for the respondent/Railways would contend that in the given circumstances, the applicant is not entitled for interest at the rate of 12% per annum as claimed and prays to dismiss the appeal.

6. In view of the submissions made by the learned counsel on either side, the point that arises for determination is:

“Whether the appellant/applicant is entitled for interest at the rate of 12% per annum from the date of filing the application till the date of remand as prayed?”

7. **POINT:-**

Conflicting opinions existed as to the award of interest in the claim petitions presented 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 a claimant does not have the right to insist on award of interest from the date of presentation of the claim petition. In certain cases, it was observed that interest must be awarded from the date of presentation of claim.

8. The controversy or the difference of opinion has been set at rest by the Hon'ble Supreme Court through its judgment, dated 14.05.2009, in Civil Appeal No.3658 of 2009 (Arising out of SLP (C) No.26654 of 2008) in **TAHAZHATHE PURAYIL SARABI AND OTHERS VS. UNION OF INDIA AND ANOTHER¹**. It was held that the amount awarded as compensation by the Railway Claims Tribunal shall carry interest at 6% per annum from the date of presentation of the claim petition till the date of award and at 9% per annum from the date of award till the date of realization.

9. Following the same, the Civil Miscellaneous Appeal is allowed directing that the amount awarded as compensation by the Tribunal in favour of the appellant shall carry interest at the rate of 6% per annum from the date of presentation of the claim petition till the date of remand order of this Court, i.e., on 22.03.2011. The interest granted by the Tribunal in the impugned order from the date of remand till payment remains unaltered. There shall be no order as to costs.

Miscellaneous petitions pending, if any, in this appeal shall stand closed.

DR.JUSTICE SHAMEEM AKTHER

Date : 29.10.2018
ssp

¹ 2009 ACJ 2444