

THE HON'BLE DR.JUSTICE SHAMEEM AKTHER

CIVIL MISCELLANEOUS APPEAL No.900 OF 2017

JUDGMENT:

This Civil Miscellaneous Appeal, under Section 23 of the Railway Claims Tribunal Act, 1987, is directed against the order, dated 10.01.2007, passed in O.A.A.No.206 of 2004 on the file of the Railway Claims Tribunal, Secunderabad Bench at Secunderabad for not granting interest at the rate of 12% per annum from the date of filing of the claim petition till the date of realisation on the compensation amount of Rs.4,00,000/- awarded for the death of the deceased-Mohd.Masood.

2. Heard the learned counsel for the appellants/applicants and the learned Standing Counsel for the respondent/Railways and perused the record.

3. Considering the evidence on record, the Tribunal through the impugned order awarded compensation of Rs.4,00,000/- and that order has become final to that extent. The only dispute is with regard to award of interest at the rate of 12% per annum from the date of application till the date of realization on the compensation amount of Rs.4,00,000/-.

4. Learned counsel for the appellants/applicants 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 realization 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 applicants are not entitled for interest at the rate of 12% per annum as claimed by them 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 appellants/applicants are entitled for interest at the rate of 12% per annum from the date of filing the application till the date of realization as prayed for?”

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 @ 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 the date of realization.

¹ 2009 ACJ 2444

9. Following the same, the Civil Miscellaneous Appeal is partly allowed directing that the amount awarded as compensation by the Tribunal in favour of the appellants shall carry interest at the rate of 6% per annum from the date of presentation of the claim petition till the date of award and thereafter, at the rate of 9% per annum from the date of award till the date of realization. There shall be no order as to costs.

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

Date : 28.12.2018
ssp

DR.JUSTICE SHAMEEM AKTHER

