

**IN THE HIGH COURT OF JUDICATURE, ANDHRA
PRADESH AT HYDERABAD**

**PRESENT
THE HON'BLE SRI JUSTICE K.C.BHANU**

C.M.A.No.1026 OF 2008

Date:15.09.2011

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Between:-

K.Nagendramma and others

..Appellants

And

Union of India, represented by its General Manager, South Central
Railways, Secunderabad.

.. Respondent

JUDGMENT:-

This Civil Miscellaneous Appeal, is directed against the order, dated 21.06.2006, in O.A.A.No.98 of 2001 on the file of the Railway Claims Tribunal, Secunderabad Bench, Secunderabad for not granting interest from the date of application till the date of award on the compensation amount of Rs.4 lakhs for the death of K.Seetaramaiah in an untoward incident on 05.03.2001.

2. Heard both sides.

3. The factual matrix is not in dispute. The death of the deceased in

an untoward incident is not in dispute. It is also not in dispute that the deceased was travelling in a passenger train as a *bona fide* passenger. The quantum Award of Rs.4,00,000/- is also not in dispute. The only contention of the learned counsel for the appellants/applicants is that the Tribunal has not granted interest from the date of application till the date of award.

4. Section 34 of the Railways Act, 1989 empowers the Tribunal to grant a reasonable interest on the award amount. On this aspect, it is pertinent to refer to a decision of the Honourable Supreme Court in **Tahazhatha Puratul Sarabi V. Union of India**^[1], wherein it is held thus:

“We therefore, allow the appeal and modify the order of the High Court dated 24.05.2007 affirming the order of the trial Court and direct that the awarded sum will carry interest at the rate of 6 per cent simple interest per annum from the date of the application till the date of the award and, thereafter, at the rate of 9 per cent per annum till the date of actual payment of the same.”

In view of the above decision, the applicants are entitled to simple interest @ 6% per annum from the date of application till the date of award.

5. Accordingly, the Civil Miscellaneous Appeal is allowed granting simple interest at the rate of 6% per annum from the date of application till the date of Award and thereafter, at 9% p.a. till the date of realization. There shall be no order as to costs.

JUSTICE K.C.BHANU

15th September, 2011
AMD

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AMD

[\[1\]](#) AIR 2009 SC 3098