THE HONOURABLE SRI JUSTICE T.AMARNATH GOUD

CIVIL MISCELLANEOUS APPEAL No.1304 of 2011

JUDGMENT:

The appellants herein presented a claim before the Secunderabad Bench of Railway Claims Tribunal, vide OAA No.538 of 2006 for compensation. The claim petition was allowed vide order dated 13.04.2011 awarding compensation of Rs.4,00,000/-. The Tribunal, however, stipulated 3 months time for deposit of the amount of the compensation and awarded interest from the date of the order. The appellants feel aggrieved by the denial of interest, on the compensation, from the date of presentation of the claim petition.

2. Heard learned counsel for the appellants and learned standing counsel for the Railways.

3. Conflicting opinions existed, as to the award of interest, in the claims presented under the Railways 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.

4. The controversy, or the difference of opinion, has been set at rest by the Apex Court in **Tahazahathe Purayi Sarabi**

and others v Union of India and another[1] that the amount awarded as compensation by the Railway Claims Tribunal shall carry interest from the date of presentation of the claim petition at 6% per annum, and from the date of award, till the date of realization, at 9% per annum.

5. Following the same, the appeal is allowed in part, directing that the amount awarded as compensation by the Tribunal, in favour of the appellants, shall carry interest at 6% per annum, from the date of presentation of the claim petition, till the date of award, and thereafter, at 9% per annum, till the date of realization. No order as to costs. Miscellaneous petitions, if any, pending in this appeal shall stand closed.

T. AMARNATH GOUD, J

Date: 28.11.2019
TJMR

[1] 2009 ACJ 2444