



CRP NPD No.1069 of 2021

IN THE HIGH COURT OF JUDICATURE AT MADRAS

Reserved on 19.01.2022	Delivered on 25.01.2022
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THE HONOURABLE MR.JUSTICE R.SUBRAMANIANN

Civil Revision Petition (NPD) No.1069 of 2021

Gukhana @ Guna

.. Petitioner

Vs.

The Union of India owning
Southern Railway
Rep. By its General Manager,
Chennai.

.. Respondent

PRAYER: Civil Revision Petition filed under section 115 of the Code of Civil Procedure, praying to set aside the order passed in M.A.No.4 of 2020 in O.A. (II-U) MAS No.12 of 2010 dated 15.03.2021 on the file of the Railway Claims Tribunal, Chennai Bench.

For Petitioner : Mr. S.Parthasarathy

For Respondent : Mr. M.Vijay Anand



CRP NPD No.1069 of 2021

ORDER

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This Revision is directed against an order of the Railway Claims Tribunal made in Miscellaneous Application No.4 of 2020 in OA No.12 of 2010, dated 15.03.2021.

2. The Original Application in OA No.12 of 2010 was filed by the petitioner seeking compensation for the injuries suffered by him in an accident that occurred at Jolarpet Railway Station, while he was a *bona fide* passenger travelling from Trichur to Jolarpet. The Railway Authorities denied the accident and claimed that the petitioner was not a *bona fide* passenger. The Railway Claims Tribunal by its award dated 13.07.2010 accepted the defence of the Railway Authority and dismissed the claim.

3. Aggrieved the petitioner preferred CMA No.2916 of 2011, before this Court. This Court by judgment dated 20.12.2019 reversed the findings of the Railway Claims Tribunal regarding the liability of the Railway Authorities and held that the petitioner is entitled to compensation. The Railway Claims Tribunal was directed to fix the



compensation. Thereupon the petitioner filed a Memo before the Railway Claims Tribunal along with copy of the order of this Court made in CMA No.2916 of 2011.

4. Pursuant to the same, the Railway Claims Tribunal fixed the compensation at Rs.2,50,000/- for the injuries suffered by the petitioner. A sum of Rs.2,40,000/- was granted for the injury namely amputation of right foot which is covered by item No.24 of Part III of the compensation schedule and a sum of Rs.10,000/- was granted for other unscheduled injuries.

5. The Tribunal, however, concluded that the petitioner is not entitled to interest in view of the judgment of the Hon'ble Supreme Court in *Union of India v. Rina Devi*, reported in (2019) 3 SCC 572. The Tribunal also directed that a sum of Rs.25,000/- to be paid through transfer to the SB Account of the petitioner and the remaining Rs.2,25,000/- to be kept in fixed deposit for a period of two years in the name of the petitioner and directed the same to be transferred to the SB



Account of the petitioner upon maturity.

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6. Mr.S.Parathasarathy, learned counsel appearing for the petitioner is aggrieved by the non grant of interest and the direction for keeping the compensation in fixed deposit.

7. Mr.M.Vijayanand, learned counsel appearing for the respondent Railways would submit that in view of the amendment to the Rules introduced in the year 2016 with effect from 01.01.2017, the Tribunal is authorised to direct the compensation to be held in fixed deposit having regard to the illiteracy of the claimant. Rule 5 of the Railway Accidents and Untoward Incidents (Compensation) Rules, 1990, reads as follows:

5. Mode of Payment:

5.1. The Tribunal may, in order to protect the sum awarded to the claimant, having due regard to the illiteracy or other disabling factors impairing the judicious use of such sum,



issue directions for disbursing the award in terms of annuities, fixed deposits or other suitable mode as shall sub serve justice.

5.2. If any of the claimants is a minor or person of unsound mind, the Tribunal may give liberty to the guardian ad litem to use the interest accruals on the deposit that shall be made during the minority for maintenance.

5.3. Nothing in this rule shall limit the power of the Tribunal to make modifications of the mode of disbursal for reasons to be stated in writing depending on the exigencies requiring liquidation of any corpus created for annuity or premature closure of fixed deposit, for the benefit of the claimant.

5.4. The orders dated 21st April 2017,



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CRP NPD No.1069 of 2021

*24th May, 2019 and 6th November, 2019 of
Hon'ble High Court of Delhi in FAO No.22/2015
and CM Application No.4501/2015 in Geeta Devi
v. Union of India, relating to disbursement of
compensation shall be read as part of this rule.*

8. As seen from the Rule, it confers discretion on the Tribunal to make a direction for disbursement of the compensation amount, considering the illiteracy of the claimant. In the case on hand, it is stated that the claimant is a coolly and he is not a well educated person. Therefore, I do not see any infirmity in the order of the Tribunal directing the portion of the compensation to be kept in fixed deposit for a period of two years. It is actually in the interest of the claimant.

9. However, on the question of interest, I am unable to agree with the Tribunal, the Tribunal has held that the claimant will not be entitled to interest in view of the judgment of the Hon'ble Supreme Court in *Union of India v. Rina Devi*, I am unable to see anything in the said



judgment of the Hon'ble Supreme Court to support the conclusion of the Tribunal that the claimant is not entitled to interest. In fact the Hon'ble Supreme Court had held that the claimant would be entitled to interest on par with accident claim cases. The argument that the liability to pay compensation would arise only upon determination was specifically rejected by the Hon'ble Supreme Court.

10. The Hon'ble Supreme Court held that the claimant would be entitled to interest at a reasonable rate as is payable in motor accident cases. While saying so, the Hon'ble Supreme Court held as follows:

*“18... Since it has been held that interest is required to be paid, the premise on which **Rathi Menon v. Union of India, (2001) 3 SCC 714**, is based has changed. We are of the view that law in the present context should be taken to be that the liability will accrue on the date of the accident and the amount applicable as on that date will be the amount recoverable but the*



claimant will get interest from the date of accident till the payment at such rate as may be considered just and fair from time to time. In this context, rate of interest applicable in motor accident claim cases can be held to be reasonable and fair.”

In paragraph 30 of the said judgment, the Hon’ble Supreme Court has observed as follows:

“30. As already observed, though this Court in Thazhathe Purayil Sarabi, (2009) 7 SCC 372, held that rate of interest has to be @ 6% from the date of application till the date of the award and 9% thereafter and 9% rate of interest was awarded from the date of application in Mohamadi v. Union of India, (2019) 12 SCC 389, rate of interest has to be reasonable rate on a par with accident claim cases. We are of the view that in absence of any specific statutory



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CRP NPD No.1069 of 2021

provision, interest can be awarded from the date of accident itself when the liability of the Railways arises up to the date of payment, without any difference in the stages. Legal position in this regard is on a par with the cases of accident claims under the Motor Vehicles Act, 1988. Conflicting views stand resolved in this manner.”

11. In view of the law declared by the Hon’ble Supreme Court as above, I do not think the conclusion of the Tribunal that the claimant is not entitled to interest on the compensation awarded can be sustained. Therefore, the same is set aside and there will be an award for payment of interest at 7.5% from the date of the accident till date of payment of the principal amount as directed by the Tribunal. The 50% of the interest amount so worked out, shall be kept in fixed deposit along with principal amount of Rs.2,25,000/- as directed by the Tribunal. The remaining 50% shall be paid over to the claimant. The fixed deposit of the interest amount



CRP NPD No.1069 of 2021

and the payment of the 50% shall also be made within the period of six weeks from the date of receipt of a copy of this order. No costs.

25.01.2022

jv

Index : Yes/No

Internet : Yes/No

Speaking order/Non Speaking order

To

1. The Railway Claims Tribunal,
Chennai Bench
2. The Section Officer,
V.R.Section,
High Court of Madras.



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CRP NPD No.1069 of 2021

R.SUBRAMANIAN, J.

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Pre Delivery Order
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