



IN THE HIGH COURT OF JUDICATURE AT BOMBAY
NAGPUR BENCH : NAGPUR.

FIRST APPEAL NO. 801 OF 2018

APPELLANTS

- : 1. Smt. Manda Wd/o. Rajendra @ Raju Lambat, Aged – 33 years, Occu. Labour.
2. Aayush S/o. Rajendra @ Raju Lambat, Aged – 7 years, Occu. Education.
[Applicant No.2 is minor through his natural guardian applicant No1 mother]
R/o. Pachgaon, Tah. & Dist. Nagpur.
3. Kamlabai Wd/o. Somdeo Lambat, Aged – 70 years, Occu. Household, R/o. Sindhi Railway, Tah. Selu, Dist. Wardha.

//VERSUS//

RESPONDENT

: Union of India, its General Manager, Central Railway C.S.T. - Mumbai.

Mr. R.G. Bagul, Advocate for the Appellants.

Ms. Neerja Chaubey, Advocate for the Respondent.

CORAM : G. A. SANAP, J.

DATED : 9th OCTOBER, 2023.

ORAL JUDGMENT

Heard Mr. R.G. Bagul, learned advocate for the appellants and Ms. Neerja Chaubey, learned advocate for the respondent/Railway. Perused the record and proceedings.

02] In this appeal, filed under Section 23 of the Railway Claims Tribunal Act, 1987 (for short “the Act of 1987”), challenge is to the judgment and order dated 30th June, 2016, passed by the Railway Claims Tribunal, Nagpur Bench, Nagpur on the limited point of rejection of prayer to award the interest on the amount of compensation. The question that needs to be addressed is whether the claimant in a claim filed under Section 16 of the Act of 1987 is entitled to get the interest on the amount of compensation from the date of claim application till the date of realization of the amount.

03] Learned advocate for the respondent/Railway submits that considering the law laid down by the Hon’ble Supreme Court in the case of *Union of India Vs. Rina Devi [AIR 2018 SC 2362]*, the Court may pass an appropriate order.

04] Learned advocate for the appellants submits that the issue raised in this appeal is covered by the decision in the case of *Rina Devi* (supra). Paragraph 18 of the said decision is relevant for the purpose of addressing this issue. It is extracted below:

“18. As already observed, though this Court in Thazhathe Purayil Sarabi (AIR 2009 SC 3098) (supra) held that rate of interest has to be at the rate of 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 (supra), rate of interest has to be reasonable rate at par with accident claim cases. We are of the view that in absence of any specific statutory provision, interest can be awarded from the date of accident itself when the liability of the Railways arises upto the date of payment, without any difference in the stages. Legal position in this regard is at par with the cases of accident claims under the Motor Vehicles Act, 1988. Conflicting views stand resolved in this manner.”

05] The Hon’ble Supreme Court has held that in a claim filed under the Railway Claims Tribunal Act, interest can be awarded from the date of accident itself, when the liability of the Railways arises upto the date of payment, without any difference in the stages. It is, therefore, well settled that the claimant is entitled to get the interest. Learned Member of the Tribunal, in my view, was not right in rejecting the claim for interest. The amount of compensation awarded was Rs.4,00,000/- (Rs. Four Lakhs Only).

06] In view of the above, the appellants are entitled to get interest @ 6% per annum from the date of claim application till the actual deposit of the amount of compensation in the accounts of the appellants.

07] Learned advocate for the appellants submits that the amount of compensation has already been deposited in the bank accounts of the appellants. Before deposit of the interest, the date of actual deposit of the amount shall be placed on record by filing pursis by the learned advocate for the appellants.

08] The entire amount of interest be paid to appellant No.1 – Smt. Manda Wd/o. Rajendra @ Raju Lambat only.

09] The appeal is **allowed** and disposed of, accordingly. No costs.

(G. A. SANAP, J.)

Vijay