

THE HON'BLE SRI JUSTICE M.LAXMAN
CIVIL MISCELLANEOUS APPEAL No.1518 of 2008

JUDGMENT:

1. The present Civil Miscellaneous Appeal challenges the Order dated 28.01.2008 in O.A.A.No.374 of 2003 on the file of Railway Claims Tribunal (for short, "the Tribunal"), Secunderabad Bench, at Secunderabad to the extent of not granting the interest on the awarded sum from the date of filing of the application till realization.
2. Heard learned counsel for the appellants. There is no representation for the respondent.
3. The main grievance of the appellants is that the deceased met with accident on 02.10.2003 and the application seeking compensation was filed on 17.11.2003, before the Tribunal. As per the Order dated 28.01.2008, compensation of Rs.4,00,000/- was awarded and the respondent was directed to deposit the said amount before the Tribunal together with interest thereon at the rate of 9% per annum from the date of this Order till the date of actual payment, which according to the learned counsel for the appellants, is not in accordance with law.

4. There is no provision under the Railway Claims Tribunal Act, 1987 enabling the grant of interest unlike provision under Workmen's Compensation Act, 1923. The Hon'ble Apex Court in **“Thazhathe Purayil Sarabi Vs. Union of India¹”** and **“Rathi Menon Vs. Union of India²”** granted interest on the awarded sum from the date of application till the date of recovery. Such an interest was granted on account of denial of right to utilize the money when due interest was required to be paid. When such right is deprived, it has to be compensated by way of interest.

5. In the present case, the Tribunal has granted interest on the awarded sum from the date of Order till the date of recovery. No reason is given for restricting the grant of interest from the date of Order when the claimants invoked the jurisdiction of the Court to determine compensation, by filing application, from that date his right to claim compensation is crystallized. When such a right is accepted, on account of some or the other reason, the adjudication is not made and the right to utilize the compensation amount was deprived. Such a denial has to be compensated. Therefore, this Court is inclined to grant interest on the awarded sum from the date of application till the date of recovery.

¹ (2010) TAC 420 SC

² (2001) 3 SCC 714

6. In the result, the Civil Miscellaneous Appeal is partly allowed by modifying the Order dated 28.01.2008 in O.A.A.No.374 of 2003 and granting interest on the awarded sum from the date of application till the date of realization instead of date of Order. The rest of the findings of the Court below holds good. No costs.

Miscellaneous Petitions, pending if any, shall stand closed.

JUSTICE M.LAXMAN

09.01.2023
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Dated: 09.01.2023

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