

IN THE HIGH COURT OF JHARKHAND, RANCHI
C.M.P. No. 02 of 2025

M/s Steel Authority of India Limited (SAIL) at Bokaro Steel Plant through its General Manager (Law), John Tapan Kongari, aged about 55 years, son of P.L. Kongari, resident of Quarter No.1021, Sector – 5, Bokaro Steel City, PO and PS – Sector 4, District – Bokaro

.... Petitioner

-- Versus --

1. The Union of India through the General Manager, East Central Railway, Hajipur, PO and PS – Hajipur, District – Vaishali, Bihar
2. The General Manager, South Eastern Railway, Garden Reach, PO and PS – Garden Reach, Kolkata, West Bengal

.... Opposite Parties

With

C.M.P. No. 1086 of 2024

M/s Steel Authority of India Limited (SAIL) at Bokaro Steel Plant through its General Manager (Law), John Tapan Kongari, aged about 55 years, son of P.L. Kongari, resident of Quarter No.1021, Sector – 5, Bokaro Steel City, PO and PS – Sector 4, District – Bokaro

.... Petitioner

-- Versus --

1. The Union of India through the General Manager, East Central Railway, Hajipur, PO and PS – Hajipur, District – Vaishali, Bihar
2. The General Manager, South Eastern Railway, Garden Reach, PO and PS – Garden Reach, Kolkata, West Bengal

.... Opposite Parties

With

C.M.P. No. 04 of 2025

M/s Steel Authority of India Limited (SAIL) at Bokaro Steel Plant through its General Manager (Law), John Tapan Kongari, aged about 55 years, son of P.L. Kongari, resident of Quarter No.1021, Sector – 5, Bokaro Steel City, PO and PS – Sector 4, District – Bokaro

.... Petitioner

-- Versus --

1. The Union of India through the General Manager, East Central Railway, Hajipur, PO and PS – Hajipur, District – Vaishali, Bihar
2. The General Manager, South Eastern Railway, Garden Reach, PO and PS – Garden Reach, Kolkata, West Bengal

.... Opposite Parties

With

C.M.P. No. 191 of 2025

M/s Steel Authority of India Limited (SAIL) at Bokaro Steel Plant through its General Manager (Law), John Tapan Kongari, aged about 55 years, son of P.L. Kongari, resident of Quarter No.1021, Sector – 5, Bokaro Steel City, PO and PS – Sector 4, District – Bokaro

.... Petitioner

-- Versus --

1. The Union of India through the General Manager, East Central Railway, Hajipur, PO and PS – Hajipur, District – Vaishali, Bihar
2. The General Manager, South Eastern Railway, Garden Reach, PO and PS – Garden Reach, Kolkata, West Bengal

.... Opposite Parties

With

C.M.P. No. 192 of 2025

M/s Steel Authority of India Limited (SAIL) at Bokaro Steel Plant through its General Manager (Law), John Tapan Kongari, aged about 55 years, son of P.L. Kongari, resident of Quarter No.1021, Sector – 5, Bokaro Steel City, PO and PS – Sector 4, District – Bokaro

.... Petitioner

-- Versus --

1. The Union of India through the General Manager, East Central Railway, Hajipur, PO and PS – Hajipur, District – Vaishali, Bihar
2. The General Manager, South Eastern Railway, Garden Reach, PO and PS – Garden Reach, Kolkata, West Bengal

.... Opposite Parties

With

C.M.P. No. 193 of 2025

M/s Steel Authority of India Limited (SAIL) at Bokaro Steel Plant through its General Manager (Law), John Tapan Kongari, aged about 55 years, son of P.L. Kongari, resident of Quarter No.1021, Sector – 5, Bokaro Steel City, PO and PS – Sector 4, District – Bokaro

.... Petitioner

-- Versus --

1. The Union of India through the General Manager, East Central Railway, Hajipur, PO and PS – Hajipur, District – Vaishali, Bihar
2. The General Manager, South Eastern Railway, Garden Reach, PO and PS – Garden Reach, Kolkata, West Bengal

.... Opposite Parties

With

C.M.P. No. 287 of 2025

M/s Steel Authority of India Limited (SAIL) at Bokaro Steel Plant through its General Manager (Law), John Tapan Kongari, aged about 55 years, son of P.L. Kongari, resident of Quarter No.1021, Sector – 5, Bokaro Steel City, PO and PS – Sector 4, District – Bokaro

.... Petitioner

-- Versus --

1. The Union of India through the General Manager, East Central Railway, Hajipur, PO and PS – Hajipur, District – Vaishali, Bihar
2. The General Manager, South Eastern Railway, Garden Reach, PO and PS – Garden Reach, Kolkata, West Bengal

.... Opposite Parties

With

C.M.P. No. 288 of 2025

M/s Steel Authority of India Limited (SAIL) at Bokaro Steel Plant through its General Manager (Law), John Tapan Kongari, aged about 55 years, son of P.L. Kongari, resident of Quarter No.1021, Sector – 5, Bokaro Steel City, PO and PS – Sector 4, District – Bokaro

.... Petitioner

-- Versus --

1. The Union of India through the General Manager, East Central

Railway, Hajipur, PO and PS – Hajipur, District – Vaishali, Bihar

2. The General Manager, South Eastern Railway, Garden Reach, PO and PS – Garden Reach, Kolkata, West Bengal

.... Opposite Parties

With

C.M.P. No. 289 of 2025

M/s Steel Authority of India Limited (SAIL) at Bokaro Steel Plant through its General Manager (Law), John Tapan Kongari, aged about 55 years, son of P.L. Kongari, resident of Quarter No.1021, Sector – 5, Bokaro Steel City, PO and PS – Sector 4, District – Bokaro

.... Petitioner

-- Versus --

1. The Union of India through the General Manager, East Central Railway, Hajipur, PO and PS – Hajipur, District – Vaishali, Bihar
2. The General Manager, South Eastern Railway, Garden Reach, PO and PS – Garden Reach, Kolkata, West Bengal

.... Opposite Parties

With

C.M.P. No. 307 of 2025

M/s Steel Authority of India Limited (SAIL) at Bokaro Steel Plant through its General Manager (Law), John Tapan Kongari, aged about 55 years, son of P.L. Kongari, resident of Quarter No.1021, Sector – 5, Bokaro Steel City, PO and PS – Sector 4, District – Bokaro

.... Petitioner

-- Versus --

1. The Union of India through the General Manager, East Central Railway, Hajipur, PO and PS – Hajipur, District – Vaishali, Bihar
2. The General Manager, South Eastern Railway, Garden Reach, PO and PS – Garden Reach, Kolkata, West Bengal

.... Opposite Parties

With

C.M.P. No. 535 of 2025

M/s Steel Authority of India Limited (SAIL) at Bokaro Steel Plant through its General Manager (Law), John Tapan Kongari, aged

about 55 years, son of P.L. Kongari, resident of Quarter No.1021,
Sector – 5, Bokaro Steel City, PO and PS – Sector 4, District –
Bokaro

.... Petitioner

-- Versus --

1. The Union of India through the General Manager, East Central Railway, Hajipur, PO and PS – Hajipur, District – Vaishali, Bihar
2. The General Manager, East Central Railway, Garden Reach, PO and PS – Garden Reach, Kolkata, West Bengal

.... Opposite Parties

With

C.M.P. No. 536 of 2025

M/s Steel Authority of India Limited (SAIL) at Bokaro Steel Plant
through its General Manager (Law), John Tapan Kongari, aged
about 55 years, son of P.L. Kongari, resident of Quarter No.1021,
Sector – 5, Bokaro Steel City, PO and PS – Sector 4, District –
Bokaro

.... Petitioner

-- Versus --

1. The Union of India through the General Manager, East Central Railway, Hajipur, PO and PS – Hajipur, District – Vaishali, Bihar
2. The General Manager, East Central Railway, Garden Reach, PO and PS – Garden Reach, Kolkata, West Bengal

.... Opposite Parties

CORAM: HON'BLE MR. JUSTICE SANJAY KUMAR DWIVEDI

For the Petitioners	:-	Mr. Shresth Gautam, Advocate
	:-	Mr. Himanshu Harsh, Advocate
	:-	Mr. Yogendra Yadav, Advocate
	:-	Mr. Rahul Anand, Advocate
	:-	Mr. Prashant Jha, Advocate
For the UOI	:-	Mr. Anil Kumar, ASGI
	:-	Mr. Abhijeet Kr. Singh, CGC
	:-	Ms. Chandra, AC to ASGI

09/15.07.2025 In all these C.M.Ps. a common question of law is involved and in
view of that all these C.M.Ps. have been heard together with consent of
the parties.

2. Heard Mr. Shresth Gautam, learned counsel appearing for the petitioners and Mr. Anil Kumar, learned ASGI for the respondents – Railway, who are opposite party Nos.1 and 2 in all these C.M.Ps.

3. In C.M.P. No.02 of 2025 the petition has been filed under Article 227 of the Constitution of India for setting aside of the impugned order dated 14.09.2021 passed by learned Railway Claims Tribunal in Case No. EXA/RNC/2017/0051 whereby the learned Tribunal has been pleased to reject the petition in light of the order of the High Court in M.A. No.132 of 2017.

4. In C.M.P. No.1086 of 2024 the petition has been filed under Article 227 of the Constitution of India for setting aside of the impugned order dated 14.09.2021 passed by learned Railway Claims Tribunal in Case No. EXA/RNC/2017/0056 whereby the learned Tribunal has been pleased to reject the petition in light of the order of the High Court in M.A. No.116 of 2017.

5. In C.M.P. No.04 of 2025 the petition has been filed under Article 227 of the Constitution of India for setting aside of the impugned order dated 14.09.2021 passed by learned Railway Claims Tribunal in Case No. EXA/RNC/2017/0060 whereby the learned Tribunal has been pleased to reject the petition in light of the order of the High Court in M.A. No.115 of 2017.

6. In C.M.P. No.191 of 2025 the petition has been filed under Article 227 of the Constitution of India for setting aside of the impugned order dated 14.09.2021 passed by learned Railway Claims Tribunal in Case No. EXA/RNC/2017/0058 whereby the learned Tribunal has been pleased to reject the petition in light of the order of the High Court in

M.A. No.130 of 2017.

7. In C.M.P. No.192 of 2025 the petition has been filed under Article 227 of the Constitution of India for setting aside of the impugned order dated 04.08.2023 passed by learned Railway Claims Tribunal in Case No. EXA/RNC/2017/0052 whereby the learned Tribunal has been pleased to reject the petition in light of the order of the High Court in M.A. No.119 of 2017.

8. In C.M.P. No.193 of 2025 the petition has been filed under Article 227 of the Constitution of India for setting aside of the impugned order dated 14.09.2021 passed by learned Railway Claims Tribunal in Case No. EXA/RNC/2017/0049 whereby the learned Tribunal has been pleased to reject the petition in light of the order of the High Court in M.A. No.118 of 2017.

9. In C.M.P. No.287 of 2025 the petition has been filed under Article 227 of the Constitution of India for setting aside of the impugned order dated 14.09.2021 passed by learned Railway Claims Tribunal, Ranchi Bench in Case No. EXA/RNC/2017/0054 whereby the learned Tribunal has been pleased to reject the petition in light of the order of the High Court in M.A. No.112 of 2017.

10. In C.M.P. No.288 of 2025 the petition has been filed under Article 227 of the Constitution of India for setting aside of the impugned order dated 14.09.2021 passed by learned Railway Claims Tribunal in Case No. EXA/RNC/2017/0059 whereby the learned Tribunal has been pleased to reject the petition in light of the order of the High Court in M.A. No.134 of 2017.

11. In C.M.P. No.289 of 2025 the petition has been filed under

Article 227 of the Constitution of India for setting aside of the impugned order dated 14.09.2021 passed by learned Railway Claims Tribunal in Case No. EXA/RNC/2017/0050 whereby the learned Tribunal has been pleased to reject the petition in light of the order of the High Court in M.A. No.132 of 2017.

12. In C.M.P. No.307 of 2025 the petition has been filed under Article 227 of the Constitution of India for setting aside of the impugned order dated 14.09.2021 passed by learned Railway Claims Tribunal in Case No. EXA/RNC/2017/0046 whereby the learned Tribunal has been pleased to reject the petition in light of the order of the High Court in M.A. No.133 of 2017.

13. In C.M.P. No.535 of 2025 the petition has been filed under Article 227 of the Constitution of India for setting aside of the impugned order dated 14.09.2021 passed by learned Railway Claims Tribunal in Case No. EXA/RNC/2017/0057 whereby the learned Tribunal has been pleased to reject the petition in light of the order of the High Court in M.A. No.125 of 2017.

14. In C.M.P. No.536 of 2025 the petition has been filed under Article 227 of the Constitution of India for setting aside of the impugned order dated 14.09.2021 passed by learned Railway Claims Tribunal in Case No. EXA/RNC/2017/0048 whereby the learned Tribunal has been pleased to reject the petition in light of the order of the High Court in M.A. No.113 of 2017.

15. The prayer is also made for direction to pay the interest amount in terms of the order of the High Court in all the cases @ 7.5% from the date of the judgment.

16. Mr. Shresth Gautam, learned counsel appearing for the petitioners submits that the petitioner is a Public Sector Undertaking registered under the Companies Act, 1956 and is inter alia engaged in the business of production and manufacturing of steel products on industrial scale. He submits that the petitioner herein had booked several consignments of limestone and dolomite from Bhawnathpur Mines of SAIL served by Meralgram Booking Railway Station, East Central Railways to Bokaro Steel Plant, Bokaro Steel City through 23 railway receipts dated 07.12.2005 to 28.02.2006. He further submits that the freight for the transportation was charged by the respondent railways on the basis of rationalized route via Garhwa Road, Sonanagar, Gaya, Gomoh which covers a total distance of 432 kilometers, but the actual movement of rakes by the railway took place from Meralgram Railway Station through Garhwa Road, Barwadih, Patratu, Chandrapura shortest route of 380 kilometers only. He then submits that the respondents - railway charged freight for 432 kilometers but actual distance of transportation was 380 kilometers only, thus the railway charged freight for 52 kilometers extra. He submits that in all the respective cases the petitioner has paid different amounts as freight charges for 432 kilometers to the respondents – railway, however the actual freight charge is lesser in all the C.M.Ps. He submits that the petitioner herein served a notice upon the respondents for the refund of the different amount in different cases which has been rejected pursuant to that the petitioner moved before the learned Railway Claims Tribunal and by the different orders in all the C.M.Ps. the claim of the petitioner was allowed and the direction has been issued to refund the excess amount within 90 days from the date of

the judgment failing which an interest @ 7.5% per annum shall be charged on the amount from the date of judgment till the actual payment. He submits that the said was challenged by Railway in different appeals before this Court which are the subject matter in all these C.M.Ps. He submits that in appeal by the different orders in all the C.M.Ps. the High Court has been pleased to make direction to make payment to the petitioner within a period of 90 days from the date of order of the High Court in the miscellaneous appeal. He submits that after the order of the High Court in miscellaneous appeals which are the subject matter in all these C.M.Ps. the petitioners herein have filed the execution case before the learned Railway Claims Tribunal wherein the Railway has deposited the principal amount before the learned Tribunal on 07.02.2020. He submits, however, the interest from the order of the High Court till the deposition of the principal amount was not deposited and the interest was deposited only on 03.02.2021. He submits that the interest was deposited with effect from the date of deposition of the principal amount till the deposition of the interest. He submits that the interest was deposited on 03.02.2021, however, the interest was paid only from the order of the High Court till the deposition of the principle amount and the interest has not been deposited, however the interest from 07.02.2020 till the deposition of the interest has not been paid and the learned Tribunal on the wrong presumption and wrongly interpreting the judgment of Hon'ble Supreme Court in the case of ***Gurpreet Singh v. Union of India reported in (2006) 8 SCC 457*** has been pleased to reject the same. He submits in view of the judgment of ***Gurpreet Singh v. Union of India reported in (2006) 8 SCC 457*** as well as in the

case of ***V. Kala Bharathi and Others versus Oriental Insurance Company Limited, Branch Chitoor reported in (2014) 5 SCC 577***

the petitioner is entitled for the interest from 07.02.2020 to 03.02.2021.

He submits that the petitioner is not entitled for the interest on already deposited principal amount, however since there is delay in depositing the interest in view of two judgments the petitioner herein is entitled for the interest. He refers to paragraph Nos.17, 22 and 23 of the judgment of ***V. Kala Bharathi and Others versus Oriental Insurance Company Limited, Branch Chitoor reported in (2014) 5 SCC 577***

which is as under :-

17. The Privy Council in Venkatadri Appa Rao Vs.

Parthasarathi Appa Rao AIR 1922 PC 233, held as follows:

"The question then remains as to how, apart from any specific appropriation, these sums ought to be dealt with. There is a debt due that carries interest. There are moneys that are received without a definite appropriation on the one side or on the other, and the rule which is well established in ordinary cases is that in those circumstances the money is first applied in payment of interest and then when that is satisfied in payment of the capital."

The above principle was reiterated by the Privy Council in Rai Bahadur Sethnemichand Vs. Seth Rada Kishen AIR 1922 PC 26.

22. In Gurpreet Singh (supra), the Constitution Bench of this Court had an occasion to consider the issue regarding execution of money decree, the principle of appropriation and its applicability, which was recently followed by this Court in Bharath Heavy Electricals Ltd. Vs. RS Avthar Sing & Co., 2013 (1) SCC 243, and culled down the principles laid down in Gurpreet Singh's case as follows: (Avtar Singh & Co. case11, SCC p. 259, para 31)

"31.1. The general rule of appropriation towards

a decretal amount was that such an amount was to be adjusted strictly in accordance with the directions contained in the decree and in the absence of such directions, adjustment be made firstly towards payment of interest and costs and thereafter towards payment of the principle amount subject, of course, to any agreement between the parties.

31.2. The legislative intent in enacting sub rules (4) and (5) is clear to the points that interest should cease to run on the deposit made by the judgment debtor and notice given or on the amount being tendered outside the Court in the manner provided in Order 21 Rule 1 sub clause (D).

31.3. If the payment made by the judgment debtors falls short of the decretal amount, the decree holder will be entitled to apply the general rule of appropriation by appropriating the amount deposited towards the interest, then towards costs and finally towards the principal amount due under the decree.

31.4. Thereafter, no further interest would run on the sum appropriated towards the principal. In other words, if a part of the principal amount has been paid along with interest due thereon as on the date of issuance of notice of deposit of interest on the part of the principal sum will cease to run thereafter.

31.5. In case where there is a shortfall in deposit of the principal amount, the decree holder would be entitled to adjust interest and costs first and then balance towards the principal and beyond that the decree holder cannot seek to reopen the entire transaction and proceed to recalculate the interest on the whole of the principal amount and seek for re-appropriation.

23. *In the judgment referred to by the High Court in the impugned judgment, this Court and the Privy Council consistently have taken a view that in case of appropriation of amount unless the decree contains a specific provision, the amounts have to be appropriated as contemplated under*

Order 21 Rule 1. If there is a shortfall in deposit, the amount has to be adjusted towards interest and costs, then it has to be adjusted towards principal. The High Court has failed to appreciate this fact and misdirected itself in observing that these judgments are prior to the amendment to Order 21 Rule 1. In our considered view, as far as this aspect is considered, there is no much difference in the provisions prior to or subsequent to the amendment, because in the objects and reasons for amendment to Order XXI Rule 1, as observed by the Constitution bench in Gurpreet Singh the legislative intent in enacting sub-rules (4) and (5) is that interest should cease on the deposit being made and notice given or on the amount being tendered outside the court in the manner provided. The intent of the rule making authority is to leave no room for any frivolous pleas of payment of money due under a money decree.

17. Relying on the above judgment, he submits that in view of that judgment the law is well settled and in view of that the impugned order passed by the learned Railway Claims Tribunal may kindly be set aside and proper direction may kindly be issued to the learned Railway Claims Tribunal to direct the railway to pay the balance of the interest amount. On this ground, he submits that all these petitions may kindly be allowed.

18. Mr. Anil Kumar, learned ASGI appearing for the respondents – railway opposes the prayer and submits that the principal amount has already been deposited on 07.02.2020 and in terms of the Order XXI Rule 4 of CPC interest amount subsequent thereto will be seized.

19. In view of above submission of learned counsel appearing for the parties, it is an admitted position that the learned Tribunal has been pleased to allow the claim of the petitioners herein which was the subject matter before the High Court in different miscellaneous appeals which are the subject matter of all these C.M.Ps. and the High Court has been

pleased to pass the order directing the railways to pay the amount as disclosed in different orders of the High Court within a period of 90 days from the date of that order and if the amount is not paid within 90 days it shall carry simple interest @ 7.5% from the date of judgment passed in miscellaneous appeals. In view of the order of the High Court, the order passed in different cases by the learned Railway Claims Tribunal has merged and in view of the High Court order the petitioner herein is entitled for the amount and if not paid within a period of 90 days interest @ 7.5%. It is further admitted position that the principal amount has been deposited on 07.02.2020 and interest up to 2019 to 2020 has been deposited on 03.02.2021, thus, the interest from 07.02.2020 to the deposition of the interest part is not deposited and if such a situation is there the case of the petitioner is fully covered in light of two judgments relied by learned counsel appearing for the petitioner herein and further the argument of Mr. Anil Kumar, learned ASGI appearing for the respondents – railway is covered in light of paragraph No.13 of the judgment in the case of ***V. Kala Bharathi and Others versus Oriental Insurance Company Limited, Branch Chitoor (supra)*** wherein the said order of C.P.C. has been considered by Hon'ble Supreme Court and interpreting that provision the finding is there at paragraph No.22 and 23. The Court finds that the learned Railway Claims Tribunal has wrongly interpreted the Constitution Bench judgment of Hon'ble Supreme Court in the case of ***Gurpreet Singh (supra)*** and the Gurpreet Singh case has been further taken into consideration by Hon'ble Supreme Court by three Judge Bench in the case of ***V. Kala Bharathi and Others versus Oriental Insurance Company Limited, Branch***

Chitoor (supra). Thus, in view of that the case of the petitioner is fully covered, as such the impugned orders dated 14.09.2021 and 04.08.2023 passed by learned Railway Claims Tribunal in concerned cases and concerned case numbers are hereby set aside.

20. The petitioner herein will be entitled for the interest from 07.02.2020 till the payment is made which will not carry the interest on the principal amount which has already been deposited and accordingly the said calculation will be made by learned Tribunal and Railway will pay the same to the petitioner.

21. These petitions are allowed in above terms and disposed of.

(Sanjay Kumar Dwivedi, J.)

Sangam/

A.F.R.