

(2006) 03 GAU CK 0078
In the Gauhati High Court

Union of India (UOI)

APPELLANT

Vs

Oinam Keirungba Meetei

RESPONDENT

Date of Decision : 29-03-2006

Acts Referred:

Railway Claims Tribunal Act, 1987 — Section 18

Citation : (2007) 2 ACC 899 : (2008) ACJ 783 : (2007) 1 GLR 251 : (2006) 2 GLT 200

Hon'ble Judges : P.G. Agarwal, J

Bench : Single Bench

Final Decision : Dismissed

Judgement

P.G. Agarwal, J.—Heard Mr. J Singh, learned Counsel for the appellant/Railways.

2. In this appeal the Railways have challenged the order dated 1.11.2004 passed by the Railway Claims Tribunal, Guwahati Bench in OA No. 394/2001 whereby the claimant was awarded a compensation of Rs. 4 lakh for the death of a bona fide passenger along with the interest at 6 per cent per annum from the date of filing of the application and a cost of Rs. 2,000.

3. In this appeal, the appellant has challenged the grant of interest only. It is submitted that the Railway Claims Tribunal Act, 1987 does not provide for award of interest and the Tribunal erred in law in awarding interest from the date of application which according to the appellant was penal in nature. The submission was made that at best the interest may be made payable from the date of order only.

4. Section 80 of the Railway Claims Tribunal Act was amended as below:

80. Application for compensation. - An application to the Claims Tribunal for compensation for loss of the life of, or personal injury to, a passenger or for loss, destruction, damage, deterioration or non-delivery of animals or goods may be made-

(a) if the passenger was, or the animals or goods were, booked from one station to another on the railway of the same railway administration, against that railway administration;

(b) if the passenger was, or the animals or goods were booked through over the railway of two or more railway administrations, against the railway administration from which the passenger obtained his pass or purchased his ticket or to which the animals or goods were delivered for carriage, as the case may be, or against the railway administration on whose railway the destination station lies, or the loss, injury, destruction, damage or deterioration occurred;

5. The word "compensation" has not been defined under the Railway Claims Tribunal Act, 1987. The dictionary meaning of the word compensation is:

In Black's Law Dictionary-

Compensation. Indemnification; payment of damages; making amends; making whole; giving an equivalent or substitute of equal value. That which is necessary to restore an injured party to his former position. Remuneration for services rendered, whether in salary, fees, or commissions. Consideration or price of a privilege purchased.

Equivalent in money for a loss sustained equivalent given for property taken or for an injury done to another; giving back an equivalent in either money which is but the measure of value, or in actual value otherwise conferred; recompense in value; recompense or reward for some loss, injury, or service, especially when it is given by statute, remuneration for the injury directly and proximately caused by a breach of contract or duty, remuneration or satisfaction for injury or damage of every description. An act which a court orders to be done, or money which a court or other, tribunal orders to be paid, by a persons whose acts or omissions have caused loss or injury to another, in order that thereby the person damnified may receive equal value for his loss, or be made whole in respect of his injury.

6. Thus, we find that "compensation" is the sum total of the amount which a court finds just and proper for reimbursing the loss caused to the claimant. The compensation was payable to the claimant on the date on which the accident occurred or within a reasonable period thereafter considering the usual time taken for processing such matter. The claimant comes to the court only when there is a failure on the part of the concerned authority to pay the compensation.

7. The amount which was due to the claimant and has not been paid due to the fault of the authority, who was bound to pay the same and as the said amount has been utilized by the railways for the above period and the claimant has been deprived from using the said amount, the interest on such amount becomes the liability of the railways and they are bound to make good the loss caused on that count to the claimant. Thus, in other words, the payment of interest may be considered to be a part of the compensation itself. There is no bar under the relevant Act that no interest is payable to the claimant.

8. Further, we may have a look at the provisions of Section 18 which reads as follows:

18. Procedure and powers of Claims Tribunal. - (1) The Claims Tribunal shall not be bound by the procedure laid down by the Code of Civil Procedure, 1908 (5 of 1908), but shall be guided by the principles of natural justice and, subject to the other provisions of this Act and of any rules, the Claims Tribunal shall have powers to regulate its own procedure including the fixing of places and times of its enquiry.

9. We, thus, find that in the matter of determination of compensation the tribunal is required to be guided by the principles of natural justice and to the limited extent the provisions of CPC are also attracted. The very principles of natural justice demand that persons who are deprived from the use of the money due to it should be compensated by way of interest.

10. In the present case, the interest is awarded at the rate of 6 per cent per annum only which is equivalent to the bank rates and hence no interference is called for.

11. The appeal stands dismissed as aforesaid.