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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**

+ W.P.(C) 12365/2018 with C.M. No. 48002/2018

UNION OF INDIA AND ORS. Petitioner

Through: Mr. R.V. Sinha, Adv.

versus

SHRI SATISH KUMAR AND ANR.

..... Respondent

Through

CORAM:

HON'BLE MR. JUSTICE VIPIN SANGHI

HON'BLE MR. JUSTICE A. K. CHAWLA

ORDER

22.11.2018

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The Union of India has preferred the present petition to raise a limited challenge to the order dated 24.01.2017 passed by the Central Administrative Tribunal, Principal Bench, New Delhi (the Tribunal) in O.A. No. 501/2013. The Tribunal has allowed the said original application and held that the respondents are entitled to the first financial upgradation under the ACPS by counting their service w.e.f 01.01.1996. The direction is to pay the due arrears along with the interest at the G.P.F. rate within one month from the date of receipt of the copy of the order.

The challenge is limited only to the aspect of grant of interest since the petitioner accepts the finding of the Tribunal that the respondents were entitled to the first financial upgradation under the ACPS by counting their service w.e.f 01.01.1996.

The submission of Mr. Sinha is that the grant of interest is not

justified since the respondents had been rendered surplus and there was no intentional denial of the respondents' claim. The further submission of Mr. Sinha is that there was no instruction or Government policy with regard to the grant of interest.

We do not find any merit in this petition. Interest on delayed payment is awarded with a view to offset the loss that the recipient suffers on account of the falling value of money due to inflation, (See, *Indo Soviet Medical Education Care & Research Foundation v. Anju Jain*, (2014) SCC OnLine Del 7342). The clarification relied upon by the respondents, and taken note of by the Tribunal - on which the respondents' claim was issued on 09.08.1999. The petitioner, however, did not grant the relief sought by the respondents, despite the said clarification. Consequently, the respondents, for no fault of theirs, were deprived of the financial gains that should have flowed to them by counting their service from 01.01.1996 for grant of first financial upgradation under the ACPS. Lack of policy to grant interest on delayed payment of arrears to the employees does not prevent the Courts from granting interest where ever justified.

Consequently, we find no merit in this petition and dismiss the same.

Dismissed.

VIPIN SANGHI, J

A. K. CHAWLA, J

NOVEMBER 22, 2018

N.Khanna