



2025:DHC:1893-DB



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

Date of decision: 18.03.2025

(113)+ W.P.(C) 3300/2025

DR RAJNIKANT VERMA

.....Petitioner

Through: Mr. Ankit Bhadoria, Mr.
Umesh Singh, Mr. Karishma,
Mr. Ashok Nagar and Mr.
Mudit Aggarwal, Advs.

versus

**MUNICIPAL CORPORATION OF DELHI THROUGH ITS
COMMISSIONER**

.....Respondent

Through: Mr. Akhil Mittal, Standing
Counsel for MCD with Mr.
Pritish Sabharwal, Adv.

(117)+ W.P.(C) 3316/2025

DR RAJESHWARI JOSHI

.....Petitioner

Through: Mr. Ankit Bhadoria, Mr.
Umesh Singh, Mr. Karishma,
Mr. Ashok Nagar and Mr.
Mudit Aggarwal, Advs.

versus

**MUNICIPAL CORPORATION OF DELHI THROUGH ITS
COMMISSIONER**

.....Respondent

Through: Mr. Anand Prakash Standing
Counsel for MCD with Ms.
Varsha Arya and Mr. Satbeer
Prajapati, Advs.

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W.P.(C) 3300/2025 & W.P.(C) 3316/2025

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CORAM:
HON'BLE MR. JUSTICE NAVIN CHAWLA
HON'BLE MS. JUSTICE RENU BHATNAGAR

NAVIN CHAWLA, J. (ORAL)

CM APPLs. 15578-79/2025(Exemption) in W.P.(C) 3300/2025

CM APPL. 15635-36/2025(Exemption) in W.P.(C) 3316/2025

1. Allowed, subject to all just exceptions.

W.P.(C) 3300/2025 & CM APPL. 15577/2025

W.P.(C) 3316/2025 & CM APPL. 15634/2025.

2. These petitions have been filed, challenging the Order dated 17.05.2024 passed by the learned Central Administrative Tribunal (PB), New Delhi ('learned Tribunal') in OA No. 2146/2023 titled, '*Dr. Rajni Kant Verma vs Commissioner, Municipal Corporation of Delhi*' and in OA No. 2145/2023 titled, '*Dr. Rajeshwari Joshi vs. Commissioner, Municipal Corporation of Delhi*', limited to a challenge that the learned Tribunal has erred in not directing payment of interest to the petitioner herein, from the date when the retiral benefits became due to the petitioner.

3. The above mentioned original applications had been filed by the petitioners before the learned Tribunal complaining therein that the retiral benefits due to them by the respondents have not been paid despite repeated representations.

4. In the Impugned Order, the learned Tribunal has held that admittedly there has been a delay on part of the respondent in releasing the retiral dues of the petitioners.



5. The original applications have therefore, been disposed of by the impugned orders, directing the respondent to release the due retiral benefits to the petitioners. The learned Tribunal has granted a period of three months to the respondents to comply with the said direction, and has further directed that the petitioners shall be entitled to interest at the rate of 7.5 per cent per annum from the date of expiry of the said period of three months and in case of further delay beyond a period of six months, then at the rate of 12 per cent per annum.

6. By the subsequent Order dated 07.11.2024, however, the learned Tribunal reduced the rate of interest to 7.5 per cent in case the payment was not made within three months and up to six months from the date of the Order.

7. The learned counsel for the petitioner, placing reliance on the Judgement of this Court in ***Dr. Priya Vrata vs. Municipal Corporation of Delhi***, 2025:DHC:1509-DB, submits that in similar circumstances, this Court has modified the directions issued by the learned Tribunal as under:

“11. Accordingly, we modify the order passed by the Tribunal by holding that the interest at the rate of 7.5% would be reckoned from the date of the petitioner’s superannuation, and not from the expiry of three months from the order of the Tribunal, till the date when the principal amount of the retiral dues was/is paid. We clarify that the direction for increase in the rate of interest to 12% p.a., in the event the amount is not/has not been paid before the expiry of six months from the date of the judgement of the Tribunal, stands as it is.”

8. He prays for the similar relief to be extended to the petitioner.



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9. On the other hand, the learned counsels for the respondents, who appear on advance notice of these petitions, submit that this Court, taking into account the diverging rates of interest that were being awarded by the learned Tribunal has, in ***Rajbir Singh vs. Commissioner MCD and Anr.***, 2025:DHC:735-DB, while remanding the petition back to the learned Tribunal for determining the appropriate rate of interest, directed the Hon'ble Chairman of the learned Tribunal to even consider constituting a Full Bench to look into the matter.

10. The learned counsels for the respondent further place reliance on the judgement of the Supreme Court in ***Madanlal Sharma (dead) vs. State of Madhya Pradesh and Ors.***, in CA No. 14753/2025, wherein, for a similar claim, interest at the rate of only 6 per cent per annum was granted to the appellant therein.

11. We have considered the submissions made by the learned counsels for the parties.

12. In the present case, it is an admitted position that the retiral benefits, though due to the petitioners were not paid by the respondent claiming financial crisis. For the same, the petitioners could not have been denied their legitimate and legal dues. The petitioner, therefore, was entitled to grant of interest from the date that such retiral benefits became due.

13. Clearly, the learned Tribunal had erred in making the interest payable only three months after the date of the passing of the Impugned Order thereby, in fact, burdening the petitioner for default of the respondent. The grant of interest in such case is not a penalty



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but a due compensation for the delayed payment.

14. As far as rate of interest is concerned, in a claim similar to that of the petitioner, this Court by its Judgement in ***Dr. Priya Vrata*** (supra) has already directed that the rate of interest of 7.5 per cent awarded by the learned Tribunal would be payable from the date of the superannuation of the petitioner instead of 3 months post the passing of the Order by the learned Tribunal. We do not find the rate of interest awarded to be exorbitant.

15. We, therefore, following the Judgement of this Court in ***Dr. Priya Vrata*** (supra), modify the Impugned Order to the limited extent that the interest at the rate of 7.5 per cent per annum shall be payable to the petitioners from the date of their superannuation.

16. We further clarify that the enhanced rate of interest of 12 per cent per annum, in case the due amount is not paid to the petitioner within six months of the date of the Order passed by the learned Tribunal, shall remain operative.

17. The petitions alongwith pending applications are disposed of in the above terms.

NAVIN CHAWLA, J

RENU BHATNAGAR, J

MARCH 18, 2025/Pr/IK

Click here to check corrigendum, if any

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