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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**
+ **W.P.(C) 16947/2024**

SUNIL KUMAR UPPALPetitioner
Through: **Mr. Ankit Kumar, Adv.**

versus

THE COMMISSIONER, MCDRespondent
Through: **Ms. Meenakshi Midha and**
Ms. Samiksha Gupta, Advs.

CORAM:
HON'BLE MR. JUSTICE C. HARI SHANKAR
HON'BLE MR. JUSTICE AJAY DIGPAUL

JUDGMENT (ORAL)

% **12.02.2025**

C. HARI SHANKAR, J.

1. The petitioner is aggrieved by the fact that the Central Administrative Tribunal¹, in the impugned order dated 21 August 2024, while directing payment of retiral benefits to the petitioner, has not granted any interest thereon on the ground that MCD is facing financial stringencies.

2. We have already held, in *MCD v Bijender Singh*², that financial stringency cannot constitute a basis for denying interest on delayed payment of retiral benefits.

¹ "the Tribunal" hereinafter
² **2024 SCC OnLine Del 7716**



3. The MCD has filed a reply to this petition in which they have not disputed their liability to pay the interest but prayed that the interest should be directed to be paid at GPF rate.

4. Mr. Ankit Kumar, learned Counsel for the petitioner prays for interest at the rate of 12% per annum.

5. On the aspect of rate at which interest should be paid on retiral benefits, we have already noted in our order dated 4 February 2025 in WP (C) 401/2025³ that there is lack of consistency in the orders passed by the Tribunal. We have, therefore, directed the said cases to be placed before the Hon'ble Chairman of the Tribunal in order to constitute a Bench which could attempt at achieving consistency in that regard.

6. In view of the aforesaid, the impugned judgment of the Tribunal, insofar as it denies payment of interest to the petitioner on the delayed payment of retiral benefits is quashed and set aside.

7. It is held that the petitioner is entitled to payment of interest on the retiral benefits.

8. Inasmuch as the MCD has agreed to pay interest at GPF rate, the MCD shall pay interest on the retiral benefits to the petitioner at the GPF rate from the date the retiral benefits were due till the date of payment.

³ **Rajbir Singh v Commissioner MCD**

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9. At the same time, we remit OA 2476/2024 to the Tribunal to be placed before the Hon'ble Chairman of the Tribunal on 19 February 2025 to determine whether the rate of interest is required to be hiked.
10. We express no opinion in that regard.
11. The writ petition is disposed of in the aforesaid terms.

C. HARI SHANKAR, J.

AJAY DIGPAUL, J.

FEBRUARY 12, 2025

SSC

Click here to check corrigendum, if any