



2025:DHC:5855-DB



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

Date of decision: 21.07.2025

+ W.P.(C) 10317/2025

MUNICIPAL CORPORATION OF DELHIPetitioner

Through: Mr. Anand Prakash, Standing
Counsel with Ms. Varsha Arya,
Adv.

versus

ZARRIN BANORespondent

Through: Mr. Rajesh Chauhan, Adv

CORAM:

HON'BLE MR. JUSTICE NAVIN CHAWLA

HON'BLE MS. JUSTICE RENU BHATNAGAR

NAVIN CHAWLA, J. (ORAL)

CM APPLs. 42855-56/2025 (Exemption)

1. Allowed, subject to all just exceptions.

W.P.(C) 10317/2025 & CM APPL. 42854/2025

1. This petition has been filed by the petitioner, challenging the Order dated 25.10.2024 passed by the learned Central Administrative Tribunal, New Delhi (hereinafter referred to as the, 'Tribunal') in O.A. No. 1702/2024, titled *Zarrin Bano v. Municipal Corporation of Delhi & Anr.*, whereby the learned Tribunal allowed the O.A. filed by the respondent herein with the following directions:-

“ 25. For the reasons stated above, both the issues are decided in favour of the applicant and against the respondents. The respondents are hereby directed to verify and release all remaining retirement benefits specifically DCRG amount of Rs.16,83,809/- and 3rd MACP arrears of Rs.82,006/- if not already



released as stated in the OA, within a period of four months from date of production of the receipt of certified copy of Order passed today.

26. Respondents are further directed to pay the applicant simple interest at the rate of 8% per annum on the delayed payment of unpaid DCRG amount of Rs.16,83,809/- and 34 MACP arrears of Rs.82,006/- and on payment of tuition fee (2019-2020) Rs.54,000/- and tuition fee (2020-2021) Rs.27,000/- already paid on 11.07.2023 and 20.05.2024 from date of entitlement till date of actual payment, It is made clear that if the balance retirement benefits being unpaid with interest not been paid by the respondents within four months from the date of production or receipt of certified copy of order passed today, the same shall carry simple interest at the rate of 12% per annum from the date of entitlement to the date of actual payment."

2. The limited grievance of the petitioner against the Impugned Order pertains to the rate of interest awarded to the respondent.

3. The learned counsel for the petitioner has placed reliance on the Judgment passed by this Court in ***Rajbir Singh v. The Commissioner of MCD & Anr.***, 2025 SCC OnLine Del 649, to contend that the issue of the appropriate rate of interest to be granted in such matters has been referred by this Court to the Full Bench of the learned Tribunal. He, therefore, prays that the present petition also be remanded to the learned Tribunal for consideration of this issue.

3. Issue notice.

4. Notice is accepted by Mr. Chauhan, the learned counsel appearing on behalf of the respondent. He waives his right to file a reply to this petition.



5. The learned counsel for the respondent does not dispute that the question of the appropriate rate of interest to be awarded in such matters, is pending adjudication before the Full Bench of the learned Tribunal.

6. In similar matters, this Court has observed that the issue of interest should be remanded to the learned Tribunal to be determined in accordance with the Judgment of the Full Bench of the learned Tribunal. We may reproduce the directions issued by this Court in one such matter, that is, ***Municipal Corporation of Delhi & Another v. Dorothy John***, 2025 SCC OnLine Del 4910, as under:

“14. Keeping in view the above, we dispose of the present petition by directing as under:

a. If not already released, the petitioners shall release the retiral benefits to the respondent amounting to Rs.13,91,891/- towards gratuity and Rs.14,17,890/- towards commutation of pension and the 7th CPC arrears, along with interest @6% per annum, within a period of two weeks from today.

b. In case the payment is not made within a period of two weeks, the petitioners shall pay interest @ 12% per annum to the respondent.

c. The O.A., only for the purposes of determination of the rate of interest that the respondent is entitled to, shall be placed before the Full Bench of the learned Tribunal for a fresh adjudication.

d. The parties shall appear before the Full Bench on 11th August, 2025, the date on which, we are informed, the other matters are listed before the Full Bench.”



7. Keeping in view of the above, we dispose of the present petition with the following directions:-

- I. If not already released, the petitioner shall release the retiral benefits to the respondent amounting to Rs.16,83,809/- and the 3rd MACP arrears of Rs. 82,006/-, along with interest @ 8% per annum on the delayed payment of unpaid DCRG amount of Rs.16,83,809/- and the 3rd MACP arrears of Rs.82,006/- and on payment of tuition fee (2019-2020) Rs.54,000/- and tuition fee (2020-2021) Rs.27,000/- already paid on 12.07.2023 and 20.05.2024, from date of entitlement of the respondent to the same till date of actual payment, within a period of two weeks from today.
- II. In case the payment is not made within a period of two weeks, the petitioner shall pay interest @ 12% per annum to the respondent.
- III. The O.A., only for the purposes of determination of the rate of interest that the respondent is entitled to, shall be placed before the Full Bench of the learned Tribunal for a fresh adjudication.
- IV. The final rate of interest shall be in accordance with the decision of the Full Bench of the learned Tribunal, subject to any challenge thereto;
- V. The parties shall appear before the Full Bench of the learned Tribunal on 11th August, 2025, the date on

