



2025:DHC:5497-DB



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

Date of decision: 11.07.2025

+ W.P.(C) 9698/2025

MUNICIPAL CORPORATION OF DELHI & ANR.

.....Petitioners

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

versus

DOROTHY JOHN

.....Respondent

Through: Mr.J. M. Kalia, Mr.Dhruv Kalia
and Mr.D. V. Singh, Adv.

CORAM:

HON'BLE MR. JUSTICE NAVIN CHAWLA

HON'BLE MS. JUSTICE RENU BHATNAGAR

NAVIN CHAWLA, J. (ORAL)

CM APPL. 40672/2025 (Exemption)

1. Allowed, subject to all just exceptions.

**W.P.(C) 9698/2025, CM APPL. 40671/2025 & CM APPL.
40673/2025**

2. This petition has been filed by the petitioners challenging the Order dated 01.02.2024 passed by the learned Central Administrative Tribunal, Principal Bench, New Delhi (hereinafter referred to as the, 'Tribunal') in O.A. No. 3084/2023, titled *Smt. Dorothy John v. Municipal Corporation of Delhi through, Its Commissioner-Dr SPM Civic Center & Anr.*, allowing the O.A. filed by the respondent herein



with the following direction:

“8. In view of the facts and circumstances of the case, the respondents are directed to pay the applicant the sum of Rs.13,91,891/- towards gratuity and Rs.14,17,890/- towards commutation of pension and the 7th CPC arrears along with interest @12% per annum for the delayed period from the date of retirement, within a period of three months from the date of receipt of a copy of this Order.”

3. The limited grievance of the petitioners is to the rate of interest awarded by the learned Tribunal.

4. The learned counsel for the petitioners, placing reliance on the Judgment of this Court in ***Rajbir Singh vs. The Commissioner MCD & Anr.***, 2025:DHC:735-DB, submits that being confronted with different Benches of the learned Tribunal awarding different rate of interest, this Court had remanded the matter back to the learned Tribunal with a request to the Hon’ble Chairman of the learned Tribunal to consider constituting a Full Bench to look into the same, if deemed appropriate. Pursuant thereto a Full Bench has been constituted by the learned Tribunal which is considering the issue of rate of interest to be awarded in such similar cases.

5. On the other hand, the learned counsel for the respondent, who appears on advance notice of this petition, placing reliance on the Order dated 13.02.2025 passed in Review Petition No. 69/2025 in W.P.(C) ***Municipal Corporation of Delhi vs. Bijender Singh***, submits that this Court, after upholding the award of interest at the rate of 12% per annum in its Judgment dated 06.11.2024 passed in



W.P.(C)7668/2024 titled *Municipal Corporation of Delhi vs. Bijender Singh*, had also dismissed the review thereagainst. He submits that the review had been filed by the petitioners contending that the matter is pending before the Full Bench of the learned Tribunal and, therefore, the rate of interest should be reviewed. The Court, however, rejected this submission.

6. The learned counsel for the respondent also draws reference to the Office Memorandum dated 05.10.1999 issued by the Department of Pension & Pensioners' Welfare to submit that instructions were issued that delay in release of the pension would carry penal interest at the rate of 12% per annum.

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

8. This Court in *Rajbir Singh* (supra), after taking into account the varying rate of interest with which different Benches of the Tribunal were allowing petitions claiming similar relief, had requested the Hon'ble Chairman of the Tribunal to consider constituting a Full Bench to look into the matter.

9. A Full Bench has been duly constituted and we are informed that the matters are being heard by the Full Bench.

10. Prior thereto, however, the Impugned OA was allowed by the learned Tribunal, awarding the interest at the rate of 12% per annum.

11. We are persuaded to follow the Judgment of this Court in *Rajbir Singh* (supra), wherein this Court remanded the matter back to the learned Tribunal with the following directions:

“7. In view of the nature of the order we are



passing today, and as it involves an issue of uniformity in judicial orders passed by the Tribunal in respect of rate of interest to be awarded on delayed payment of retiral benefits, we direct that this matter be placed before the Hon'ble Chairman of the Tribunal, who is respectfully requested to constitute an appropriate Bench to take call on the matter, so that there is no lack of uniformity in the matter of rate of interest paid on retiral benefits, where the MCD has been found responsible for delayed disbursal.

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9. *As financial issues are involved, and as different Benches of the Tribunal are taking different view in the matters of rate of interest, if the Hon'ble Chairman deems it appropriate, he may even consider constituting a Full Bench to look into the matter. We, however, leave that to the wisdom of the Hon'ble Chairman, who is an eminent retired Chief Justice."*

12. As far as the reliance of the learned counsel for the respondent on the O.M. dated 05.10.1999 is concerned, the same should also be considered by the Full Bench of the learned Tribunal in the first instance.

13. As far as the reliance on the Order dated 13.02.2025 passed by the Co-ordinate Bench in Review Petition No.69/2025 is concerned, we find that this Court had disposed of the Review Petition on the submission made by the learned counsel for the petitioner therein. In any case, that is an Order passed on a Review Petition, that is in exercise of a very limited jurisdiction.

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



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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.

15. With the above directions, the petition and the pending applications are disposed of.

NAVIN CHAWLA, J

RENU BHATNAGAR, J

JULY 11, 2025/sg/ik