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

\# **CNR No. DLHC010601692024**

\+ W.P.(C) 12739/2024, CM APPL. 53092/2024

DR VEER SINGH .....Petitioner

Through: Mr. Shanker Raju, Senior Adv. with Mr. Nilansh Gaur and Ms. Prerna Deep Advs.

versus

UNION OF INDIA AND ORS ...Respondents

Through: Mr. Nitesh Kumar Singh, Adv.

CORAM:
HON'BLE MR. JUSTICE C. HARI SHANKAR
HON'BLE MR. JUSTICE VINOD KUMAR

JUDGMENT (ORAL)

% **20.08.2026**

C. HARI SHANKAR, J.

1. The petitioner was the applicant before the Central Administrative Tribunal[1] in OA 3789/2022, whereby he sought interest on delayed payment of his retiral dues. The Tribunal has, by order dated 14 May 2024, granted interest @ 7.5% from the date of the first representation made by the petitioner till actual payment. The petitioner is before us, assailing that the decision of the Tribunal to the extent that it grants interest only from the date of his first representation. The submission of Mr. Nilansh Gaur, learned Counsel for the petitioner is that the petitioner would be entitled to interest from the date of his superannuation.

[1] "The Tribunal", hereinafter

2. We have heard Mr. Nilansh Gaur, learned Counsel for the petitioner and Mr. Nitesh Kumar Singh, learned Counsel for the respondents.

3. The defence of Mr. Singh is that major penalty proceedings were pending against the petitioner consequent to a charge sheet issued to him on 28 June 2012, two days prior to his superannuation on 30 June 2012. The charge sheet came to be quashed by the Tribunal by judgment dated 3 January 2019 in OA 339/2015. Following the judgment of the Tribunal, the respondents also closed the disciplinary proceedings against the petitioner by order dated 19 December 2019. The order dated 3 January 2019, of the Tribunal, was never challenged.

4. In these circumstances, Mr. Singh's contention is that the withholding of the petitioner's retiral benefits, in the wake of the disciplinary proceedings which were pending against him on the date of his retirement, was justified and that, therefore, the Tribunal has rightly granted interest to the petitioner only with effect from 21 May 2019, when he made his first representation. No case for grant of interest from the date of superannuation of the petitioner, Mr. Singh would submit, exists.

5. Having heard the learned Counsel for the parties and considered the matter in the light of the extant law, we are unable to accept the submission of Mr. Singh and are of the view that the petitioner is

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rightly entitled to interest on his retiral benefits from the date of his superannuation.

6. It is important to note the ground on which the charge sheet issued to the petitioner was quashed by the Tribunal. As was noted by the Tribunal in its order dated 3 January 2019 in OA 339/2015, identical charges were levelled against the petitioner and one Dr. Sandeep Miglani, both of whom were members of a Technical Evaluation Committee[2] of the Government of National Capital Territory of Delhi. The Hon'ble Lieutenant Governor, by order dated 28 February 2013, did not even deem the issue worthy of an inquiry and directed closure of the charges against Dr. Sandeep Miglani. The Tribunal, in its order dated 3 January 2019, held that the petitioner would be entitled to the same treatment as Dr. Sandeep Miglani, as the charges against both were identical. It is in these circumstances that the Tribunal quashed the charge sheet issued to the petitioner.

7. As we have already noted, the petitioner accepted the decision of the Tribunal.

8. It cannot, therefore, be gainsaid that the very initiation of disciplinary proceedings against the petitioner was misconceived. In that view of the matter, we are of the opinion that the respondent cannot seek to urge the pendency of the said proceedings as a ground to deny interest to the petitioner on his retiral benefits from the date of his superannuation.

[2] "TEC", hereinafter

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9. We should not be understood, in so holding, as attributing any *mala fides* to the respondent. The respondent may have withheld, *bona fide,* the retiral benefits as a charge sheet was pending against the petitioner. The decision dated 3 January 2019, in the backdrop of the order dated 28 February 2013 passed by the Hon'ble Lieutenant Governor in the case of Dr. Miglani, however, indicates that the disciplinary proceedings were misconceived *ab initio*. The pendency of such misconceived proceedings cannot, to our mind, be a legitimate ground to deny interest to the petitioner on his retiral benefits from the date of his superannuation.

10. Had the said proceedings not been initiated, the petitioner would have drawn retiral benefits from the date of his superannuation. The pendency of such proceedings cannot, therefore, be cited as a ground to justify denial of payment, to the petitioner, of his retiral benefits from the date of his superannuation.

11. Interest is not necessarily punitive in all cases. Interest may be penal or restitutive. The purpose of interest is not punishment – though in certain cases, it may be penal. The fundamental purpose of granting interest is to restore the person, who was deprived of monies to which she/he was entitled, for any period of time, to the position n which she, or he, would have been, had such deprivation not occurred. The absence of *mala fides* in the decision of the respondent to withhold the petitioner's retiral benefits is not, therefore, determinative of the petitioner's entitlement to interest thereon from the date of his superannuation. The entitlement of the petitioner flows

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from the fact that, from the date of his superannuation till the date when his retiral benefits, were paid to him, he was deprived of the said retiral benefits which, had they been invested by the petitioner, would have earned him interest. Equally, the respondent was the beneficiary of the said amount which, otherwise, would have had to be paid to the petitioner on his superannuation. It is to undo this imbalance that interest is directed to be paid.

12. The Supreme Court clearly explained this position thus, in ***Alok Shanker Pandey v. Union of India***[3]:

> "**9.** It may be mentioned that there is misconception about interest. Interest is not a penalty or punishment at all, but it is the normal accretion on capital. For example if *A* had to pay *B* a certain amount, say 10 years ago, but he offers that amount to him today, then he has pocketed the interest on the principal amount. Had *A* paid that amount to *B* 10 years ago, *B* would have invested that amount somewhere and earned interest thereon, but instead of that *A* has kept that amount with himself and earned interest on it for this period. Hence, equity demands that *A* should not only pay back the principal amount but also the interest thereon to *B*."

13. We, therefore, are of the opinion that the petitioner would be entitled to interest, not from the date of his first representation, but from the date of his superannuation.

14. The impugned order, to the extent it grants interest to the petitioner on his retiral benefits only from the date of his first representation, is therefore quashed and set aside. The petitioner is held to be entitled to interest on his retiral benefits, at the rate fixed by the Tribunal, from the date of his superannuation.

[3] **(2007) 3 SCC 545**

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15. Let the balance amount, if any, be paid to the petitioner within eight weeks from today.

16. The petition is allowed in the aforesaid terms.

C. HARI SHANKAR, J

VINOD KUMAR, J

AUGUST 20, 2026/*yg/aky*