



IN THE HIGH COURT OF ORISSA AT CUTTACK

W.P.(C) No.2593 of 2026

Narayan Prasad Mishra

....

Petitioner

Mr. S.P. Pati, Advocate

-versus-

***State of Odisha and
Others***

....

Opposite Parties

Mr. P.P. Behera, ASC

CORAM:

JUSTICE BIRAJA PRASANNA SATAPATHY

ORDER

26.02.2026

Order No.

02.

1. This matter is taken up through Hybrid Arrangement (Virtual/Physical) Mode.

2. Heard learned counsel for the parties.

3. Pursuant to order dated 04.02.2026, learned Addl. Standing Counsel produced the instruction provided by the Department. The same be kept in record.

3.1. Basing on the instruction, it is contended that with regard to payment of interest on the ground of delayed payment of the gratuity amount, the matter is under process and necessary action will be taken in ventilating the grievance of the petitioner, as made in the Writ Petition.



4. The present Writ Petition has been filed *inter alia* with the following prayer:-

“Under the aforesaid circumstances, the petitioner humbly prays that this Hon'ble Court may graciously be pleased to,

i) direct the State opp. parties/authorities to pay the petitioner the interest @7% on the Gratuity amounts of Rs.9,35,170/- to the petitioner for delayed payment from its due date after retirement i.e from 01.06.2019 to till its actual payment on dated 18.06.2021, and to pay interest on withheld gratuity of Rs. 69,400/- from 01.06.2019 to till its actual payment on dated 27.11.2024, under Rule49(5)(a) of OCS (Pension) Rules, 1992, within a stipulated period. And

ii) Further the petitioner be paid with penal interest for such administrative delay at the present bank interest on such gratuity amounts as well as on statutory interest amounts to be paid as per prayer no, (i) above till its final payment,

iii) And pass such other order(s), direction(s) as deem fit and proper to the facts and circumstances of the case to give complete relief to the petitioner;”

5. Learned counsel for the petitioner contended that even though petitioner retired from his service on attaining the age of superannuation on 31.05.2018, but his entitlement towards Gratuity, was kept withheld till a sum of Rs.9,35,170/- was disbursed on 18.06.2021.

5.1. However, a sum of Rs.69,400/-, which was illegally withheld from the gratuity amount, was paid to the petitioner on dtd.27.11.2024. It is accordingly contended that since admittedly the entire gratuity amount was kept withheld which fall due on 01.06.2019 and the amount was released only on



18.06.2021 and 27.11.2024 respectively, claim made by the petitioner to pay interest in terms of the provisions contained under Rule-49(5) of the OCS(Pension) Rules, 1992, is a genuine and legitimate one.

5.2. Opp. Party No.2 vide letter dated 30.10.2024 under Annexure-11, though directed Opp. Party No.3 to calculate and pay the interest as due and admissible but instead of making the payment after making a communication under Annexure-12, the same is yet to be released in favour of the petitioner.

5.3. It is contended that since Opp. Party No.2 pursuant to the earlier order of this Court, has come to the conclusion that, petitioner is eligible and entitled to get the benefit of interest for such delayed payment of the gratuity amount for the period from 01.06.2019 to 18.06.2021 for an amount of Rs.9,35,170/- and for the period from 01.06.2019 to 27.11.2024, for an amount of Rs.69,400/-, there was no requirement to issue the letter under Annexure-12.

5.4. It is accordingly contended that appropriate direction be issued to Opp. Party No.2 to release the interest amount as due and admissible on the delayed payment of the gratuity amount within a stipulated time period.



6. Basing on the instruction, learned Addl. Standing Counsel contended that vide letter issued under Annexure-12, the matter was referred to the Finance Department and Finance Department when in the relevant file vide Annexure-P/1, advised to release the interest in favour of the petitioner and to recover the same from the erring officials with due approval from the Competent Authority, vide letter dated 17.11.2025, Opp. Party No.2 has requested Opp. Party No.3 to furnish the required information with regard to the cause and duration of delay towards submission of pension papers to this department, cause and duration of delay towards furnishing of the Revised NDC for release of withheld gratuity of the petitioner, the amount of penal interest payable to the petitioner towards the delayed sanction of the pension as well as delayed release of the gratuity, names and destination of the erring officials from whom the penal interest is to be recovered along with justification for further follow up action taken in the matter.

It is accordingly contended that after due compliance of the queries raised in letter dated 17.11.2025, interest as due and admissible will be released.

7. Having heard learned counsel for the parties, considering the submissions made and since it is not disputed that petitioner was paid with the gratuity



amount with delay as indicated hereinabove and the same is also an admitted fact, this Court while disposing the Writ Petition, directs Opp. Party Nos.2 and 3 to release the interest after making due calculation within a period of 6 (six) weeks hence in favour of the petitioner.

7.1. It is however open for the State authority to take appropriate step for recovery of the interest to be paid to the petitioner from the erring officials, for whose latches the matter got delayed in accordance with law.

8. The Writ Petition stands disposed of accordingly.

(Biraja Prasanna Satapathy)
Judge

Basudev