IN THE HIGH COURT OF ORISSA AT CUTTACK

W.P.(C) No. 10636 of 2024

State of Odisha and Others .... ***Petitioner***
Mr. Umesh Chandra Behura, AGA

-versus-

Rohit Kumar Santuka .... ***Opp. Party***
Mr. A. P. Bose, Advocate

CORAM:
JUSTICE KRISHNA SHRIPAD DIXIT
JUSTICE CHITTARANJAN DASH

ORDER

Order No. **18.03.2026**

07. Petitioners being the State & its officials are knocking through the writ jurisdiction of this Court for assailing the Central Administrative Tribunal's order dated 14.03.2023 whereby OP-pensioner's OA No.260/00556 of 2020 having been favoured, the following relief has been granted.

> *"In view of the discussions made and the law discussed above, it is held that the applicant is entitled to the interest at the rate applicable to the GPF deposits on the delayed payment of pension and leave salary from the date it became due till actual payment was made and the interest on the Gratuity after three months of moratorium period from the date of retirement till the amount is actually paid and the same shall be paid to the applicant within a period of 90 days from the date of receipt of a copy of this order."*

2. Learned AGA appearing for the Petitioners vehemently argues that the OP retired way back in the year 2005; his leave salary was settled in 2009 Pension has been

sanctioned in 2015 and his DCRG was handed in 2016. He tells that, the delay brooked due to false lies of OP-employee, inasmuch as he did not give the full particulars of the housing loan availed by him at the hands of Petitioners themselves and therefore, the direction to award interest is unsustainable.

3. Learned counsel appearing for the OP-employee vehemently resists the petition making submission in justification of the impugned order and the reasons on which it has been structured. He draws our attention to All India Services DCRG Benefit Rules, 1958 and the decision of Apex Court in **O.P.** ***Gupta v. Union of India,*** **(2012) 4 SCC 328** wherein interest on terminal benefits @ 12% has been awarded when delay has been brooked. So contending, he seeks dismissal of the petition.

4. Having heard the learned counsel for the parties and having perused the petition papers, we decline indulgence in the matter for the following reasons:

4.1. The Apex Court in ***D.S. Nakara v. Union of India,*** **(1986) 1 SCC 305**, has held that the terminal benefits payable to a retiring employee is not a bounty but is a right. This Court has taken the view that the terminal benefits do constitute the property and therefore, withholding the same without justification is a violation of Article 300-A of the

Constitution of India. Therefore, unless the terminal benefits are withheld on justifiable grounds, delay has to be met by awarding interest at reasonable rates, if not penal interest.

4.2. Learned counsel for the OP-employee is right in telling us that here is enormous delay brooked in settling the terminal benefits and that his client faced great difficulty because of this. It hardly needs to be stated that after the retirement, pension is paid by way of consideration for the past service so that the pensioner holds his body & soul together. This has not been kept in mind by the petitioners, who have caused on this occasion, enormous delay in setting the terminal benefits. The OP-employee retired in 2005 and his leave salary was given only in 2009. His pension was settled in 2015 and DCRG was paid in 2016. The contention that there were no housing loan, would not impress the Court, inasmuch as the lenders are none other than the Petitioners themselves and therefore, they could have ascertained what amount was due from the side of the OP-employee. This they have not done and therefore, the impugned order is inexplicable.

4.3. The last contention of learned AGA Mr. Behura that OP-employee's representation seeking payment of interest was rejected by the Petitioners on the delayed settlement of terminal benefits, way back in the year 2016 and therefore, without laying a challenge to such rejection, the Tribunal would not have granted any relief to him is bereft of merits. It hardly needs to be stated that ours is not an East India Company, the Apex Court in ***Bhupendra Nath Hazarika V. State of Assam***, **(2013) 2 SCC 516** has held that the State and its functionary should conduct themselves as a model employer.

In the above circumstances, the Writ Petition being unworthy of merits is liable to be rejected and accordingly it is. The impugned order shall be implemented by the petitioners within an outer limit of eight weeks, failing which the interest awarded by the Tribunal shall be doubled, and this additional interest shall be recoverable from the erring officials of the Department.

Costs made easy.

(Krishna Shripad Dixit)
Judge

(Chittaranjan Dash)
Judge

AKPradhan/Priyanka