

CWP-15056-2018

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210 IN THE HIGH COURT OF PUNJAB & HARYANA
AT CHANDIGARH

CWP-15056-2018

Date of decision: 04.02.2026

SMT MALKIAT KAUR

....Petitioner

Versus

PUNJAB STATE POWER CORPORATION LTD PATIALA AND
ORSRespondents

CORAM: HON'BLE MR. JUSTICE HARPREET SINGH BRAR

Present: Mr. Raj Kaushik, Advocate
for the petitioner.

Mr. Naveen S. Bhardwaj, Advocate with
Mr. Daksh Uppal, Advocate and
Mr. Akshat Aggarwal, Advocate
for the respondents.

HARPREET SINGH BRAR, J (Oral):

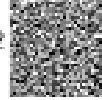
1. The present civil writ petition has been filed under Articles 226/227 of the Constitution of India for issuance of a writ in the nature of *Mandamus*, directing the respondents to grant and release the Death-cum-Retirement Gratuity (DCRG) to the petitioner along with the interest.
2. Learned counsel for the petitioner *inter alia* contends that the deceased husband of the petitioner voluntarily retired from the service of the respondent-Corporation on 08.12.2006. On the eve of his retirement, no charge sheet or judicial proceedings were pending against him, in spite of which the gratuity amount was not released on the due date. The same was withheld on the ground of alleged shortage detected during physical verification conducted from 01.08.2006 to 09.10.2006. In the absence of any departmental inquiry or issuance of a show cause notice regarding the alleged shortages, the respondent-Corporation could not have withheld the gratuity. Further, there is no conclusive finding holding the husband of the



petitioner responsible for the alleged shortage, except a mere physical verification report. Ultimately, after the petitioner was constrained to file the present writ petition, the gratuity was released on 14.12.2018. Therefore, the petitioner is entitled to interest on account of the delayed payment.

3. *Per contra*, learned counsel for respondent-Corporation is not in a position to controvert the fact that on the eve of the retirement of the husband of the petitioner, there were no charge sheets or judicial proceedings pending against him. It is also admitted that the gratuity was withheld solely on account of shortage detected during physical verification. However, learned counsel refers to memo dated 22.09.2014 (Annexure P-6) and submits that the deceased had sought voluntary retirement on 08.12.2006 which was granted to him by Chief Engineer/Stores and Disposal, Patiala w.e.f. 08.12.2006. It is further submitted that vide office memo dated 14.05.2008 issued by the Chief Engineer/ Stores and Disposal, the husband of the petitioner along with one Sh. Ram Kishan, Store Keeper were held responsible for the shortage. However, learned counsel for respondents could not indicate the issuance of any show cause notice, charge sheet or, adherence to any step of the procedure established for a departmental inquiry.

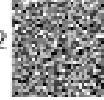
4. Having heard learned counsel for the parties and perused the record with their able assistance, it transpires that the deceased husband of the petitioner retired on 08.12.2006. Admittedly, the gratuity owed to him was withheld on account of certain shortages attributed to him. However, no disciplinary proceedings were ever initiated against him. Neither was a show cause notice issued to him in this regard, nor any inquiry was



conducted. The husband of the petitioner was punished with withholding of gratuity merely on the basis of the physical verification report that recorded the said shortage, which is insufficient to impose civil consequences upon the deceased husband of the petitioner, especially since his request for voluntary retirement was accepted by the Chief Engineer/ Stores and Disposal. Thus, the action of the respondents in denying gratuity to the husband of the petitioner, without initiating disciplinary proceedings of any kind, is *non est* in law.

5. Moreover, significant civil consequences have been imposed on the deceased husband of the petitioner and by association, the petitioner, which necessarily requires adherence with the principles of natural justice in order to serve the cause of justice and fairness. A Constitution bench of the Hon'ble Supreme Court in ***Olga Tellis and others vs. Bombay Municipal Corporation (1985) 3 SCC 545*** emphasised upon the importance of the adherence to the principles of natural justice, especially *audi alteram partem*. Speaking through Justice Y.V. Chandrachud, the following was held:

“48. Any discussion of this topic would be incomplete without reference to an important decision of this Court in S.L. Kapoor v. Jagmohan, 1986 R.R.R. 341 : (1981) 1 SCR 746, 766 at (p. 147). In that case, the supersession of the New Delhi Municipal Committee was challenged on the ground that it was in violation of the principles of natural justice since, no show cause notice was issued before the order of supersession was passed. Linked with that question was the question whether the failure to observe the principles of natural justice matters at all, if such observance would have made no difference, the admitted or indisputable facts speaking for themselves. After referring to the decisions in Ridge v. Baldwin, 1964 AC 40 at p. 68; John v. Rees, (1970) 1 Ch 345 at p. 402; Annamunthodo v. Oilfield Workers' Trade Union, (1961) 3 All England Reporter 621 at p. 625



(HL): *Mangarita Fuentes et al v. Robert L. Shevin*, (1972) 32 Law ED 2d 556 at p. 574; *Chintepali Agency Tulak Arrack Sales Co-op, Society Ltd. v. Secy, (Food and Agriculture) Govt. of A.P.*, (1978) 1 SCR 563 at 567, 569-70 at pp. 2316 and 2318 and to an interesting discussion of the subject in *Jackson's Natural Justice* (1980 Edn.), the Court, speaking through one of us. Chinnappa Reddy, J. said :

"In our view the principles of natural justice know of no exclusionary rule dependent on whether it would have made any difference if natural justice had been observed. The non-observation of natural justice is itself prejudice to any man and proof of prejudice independently of proof of denial of natural justice is unnecessary. It will come from a person who has denied justice that the person who has been denied justice is not prejudiced."

These observations sum up the true legal position regarding the purport and implications of the right of hearing."
(emphasis added)

6. However, undisputedly, the gratuity was ultimately released to the petitioner on 14.12.2018, during the pendency of the present petition. Accordingly, the present petition is allowed. The respondents are directed to pay interest @ 6 % per annum on the gratuity amount, calculated after expiry of two months from the date of retirement of the petitioner's husband till the date of its actual realization, in view of the judgment rendered by a Full Bench of this Court in in ***A.S. Randhawa Supg. Engineer (Retd.) vs. State of Punjab 1998 (1) SCT 343***. Needful be done within a period of three months from the date of receipt of a certified copy of this order.

7. Pending miscellaneous application(s), if any, stand disposed of accordingly.

(HARPREET SINGH BRAR)
JUDGE

04.02.2026

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1. Whether speaking/ reasoned : Yes /No
2. Whether reportable : Yes /No