

MAT 1857 of 2019
With
CAN 2 of 2020 (Old No. CAN 879 of 2020)

The Kalyani Spinning Mills Limited & Ors.
-VS-
Ratan Bosu & Ors.

Mr. Sharanya Chatterjee
Mr. Nepesh Majhi
... for the appellants

Mr. Jahar Lal De
Mr. Shamim-ul-Bari
... for the State-respondents

Mr. Puspall Chakraborty
Mr. Arkadipta Sengupta
Ms. Prisanika Ganguly
... for the respondents

Party/Parties is/are represented in the order of their name/names as printed above in the cause title.

The Order of the Hon'ble Single Bench dated 23rd September, 2019 in the writ petition being WP 18343(W) of 2019 is the subject-matter of challenge in this appeal.

By the said Order of 23rd September, 2019, the Hon'ble Single Bench directed the respondents/the Company, who is the appellant in this appeal, The Kalyani Spinning Mills Limited (for short referred to as the said Company), to pay interest on delayed payment of retirement benefits to the writ petitioners/the private respondents in this appeal to be calculated from a prescribed date.

The Hon'ble Single Bench was further pleased to grant an additional rate of interest in the event the

payment is not made within the period as directed by the Order of September 23, 2019.

The appellants/the Company argues through Mr. Chatterjee, Learned Counsel, that the private respondents/the writ petitioners are entitled to interest only from the respective dates of their *entitlement* which, according to the Board's resolution of the said Company, commences from the year 2018.

It is further submitted that the said Company is not functioning since 2011 and is totally dependant on the State Government for financial grants.

Per contra, Mr. Chakraborty, Learned Counsel appearing for the private respondents/the writ petitioners, submits that the private respondents/the writ petitioners had retired between the years 2009 to 2011. The principal amount comprising their retirement benefits was paid nearly a decade later by the said Company in 2018.

In view of such long and unexplained delay in paying the principal amount, the writ petitioners/the private respondents are entitled to claim interest and such has been correctly granted by the Hon'ble Single Bench following the principles governing the grant of interest in respect of statutory retirement dues.

For the benefit of adjudication, two copies of the appeal and the connected application were directed to be served on Learned State Counsel Mr. Jahar Lal De.

Mr. De was invited to assist this Court with regard to the stand of the State respondents *qua* the Company.

It appears from the submissions of Learned State Counsel, which are not disputed by Mr. Chatterjee, that the Company has stopped functioning and the State Government has been extending grants to the Company from time to time to pay its statutory dues including dues of its existing and former employees.

Having heard the parties and anxiously considering the materials placed, this Court finds no infirmity in the order of the Hon'ble Single Bench dated 23rd September, 2019 in granting the writ petitioners/the private respondents their legitimate dues by payment of interest for the extraordinary period of delay in actually disbursing such dues.

Accordingly, the appeal cannot be sustained.

MAT 1857 of 2019 along with its connected application being **CAN 2 of 2020 (Old NO. CAN 879 of 2020)** stand **dismissed**.

There will be no order as to costs.

All parties to act on a server copy of this order duly obtained from the official website of the Hon'ble High Court, Calcutta.

Urgent Photostat certified copy of this order, if

applied for, be supplied to the parties, subject to compliance with all requisite formalities.

(Krishna Rao, J.)

(Subrata Talukdar,J.)