

06.05.2025
Item No.22
Ct. No. 30
Aloke

WPA 6891 of 2025

**Central Tool Room & Training Centre & Anr.
Vs
Union of India & Ors.**

Mr. S.M. Obaidullah
Mr. Sudarsan Roy
Mr. Diptarka Majumder
... for the petitioners

Mr. Raj Kumar Gourisaria
Mr. Sushil Kr. Mishra
Mr. Dinobandhu Mukherjee
... for the Union of India

- 1.** Affidavit-of-service filed be kept with the record.
- 2.** The writ application has been preferred against the orders dated 25.11.2024 and 24.02.2025 passed by the Controlling Authority under the Payment of Gratuity Act.
- 3.** It is the case of the petitioners that as directed by the Controlling Authority the petitioners have been paying 10% simple interest on the gratuity amounting to Rs.20 lacs till date. He submits that he intends to do so till he makes payment of the amount of Rs.20,00,000/- which he prays for time till 30th July, 2024 on the ground of financial crisis.
- 4.** The petitioners' grievance at this stage is only in respect of the second part of the order issuing certificate dated 24.02.2025.
- 5.** The relevant paragraph of the order is as follows:-

*“Hence, a certificate is hereby issued to the Certificate Officer. District Magistrate Collectorate, New Administrative Building, North 24 Pgs. Katgola, Banamalipur, Barasat, North 24 Pgs, Bidhannagar, Pin-700124(W.B); for recovery of unpaid balance amount Rs.20,00,000/- (Rupees Twenty Lakhs Only) as gratuity along with admissible simple interest (10% interest on full gratuity amount of Rs.20,00,000/- (Rupees Twenty Lakhs Only) for the period from w.e.f. 30.11.2023 to till the date of actual disbursement of gratuity and **he is hereby also requested to recover this amount from the opposite party i.e. General Manager, Central Tool Room & Training Centre Of India Society, Ministry of Micro, Small & Medium Enterprise Bonhooghly Industrial Area Kolkata together with compound interest thereon from 02.03.2018 to till the date of recovery @ 15% as arrears of land revenue and pay the same to the person entitled i.e. Mr. Kanakendu Das, B-1/123, Kalyani, Nadia, Pin-741325(WB); the Applicant, in this case in accordance with Section -8 of the Payment of Gratuity Act, 1972.”***

6. The relief prayed for by the petitioners is that direction for payment of compound interest on and from 02.03.2018 till date of recovery at the rate of 15% will cause serious prejudice to the petitioners and have thus prayed for setting aside of the said portion of the order.

7. Section 8 of the Payment of Gratuity Act lays down:-

“8. Recovery of gratuity.-If the amount of gratuity payable under this Act is not paid by the employer, within the prescribed time, to the person

*entitled thereto, the controlling authority shall, on an application made to it in this behalf by the aggrieved person, issue a certificate for that amount to the Collector, who shall recover the same, together with **compound interest** thereon [at such rate as the Central Government may, by notification, specify], from the date of expiry of the prescribed time, as arrears of land revenue and pay the same to the person entitled thereto.*

*44. Substituted by Act 22 of 1987, Section 8 (w.e.f. 1.10.1987). The Govt. has specified **15% per annum** as the rate of compound interest vide S.O. 1032(E), dt.-1-12-1987.”*

- 8.** Thus in view of the said portion of law, the order under challenge being in accordance with law requires no interference.
- 9. WPA 6891 of 2025 is accordingly dismissed.**
- 10.** There will be no order as to costs.
- 11.** All connected applications, if any, stand disposed of.
- 12.** Interim order, if any, stands vacated.
- 13.** Urgent photostat certified copy of this order, if applied for, be supplied to the parties upon compliance with all requisite formalities.

(Shampa Dutt (Paul), J.)