

06.05.2025  
Item No.20  
Ct. No. 30  
Aloke

**WPA 6893 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 paid 10% simple interest on gratuity, amounting to Rs.20 lacs till the payment has been made by the petitioners to the employee concerned on 24.04.2025.
- 4.** Documents showing payment of interest for the total period have been annexed to the writ application. Document showing payment of gratuity amount of Rs.20 lacs has also been placed before the Court today.

5. The petitioners' grievance at this stage is only in respect of the second part of the order issuing certificate dated 24.02.2025.
6. The relevant paragraph of the order is being reproduced herein:-

*"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. 07.07.2020 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. Raghuraman Varadharajan Block-B, Flat-2B, Club Town Gardens, 12, M.M. Feeder Road, Rathtala, Kamarhati, North 24 Pgs, Pin-700057(WB); the Applicant, in this case in accordance with Section -8 of the Payment of Gratuity Act, 1972."***

7. 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.

## 8. 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.”

9. Thus in view of the said portion of law, the order under challenge being in accordance with law requires no interference.

**10. WPA 6893 of 2025 is accordingly dismissed.**

**11.** There will be no order as to costs.

**12.** All connected applications, if any, stand disposed of.

**13.** Interim order, if any, stands vacated.

**14.** 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.)**