

**CENTRAL GOVERNMENT INDUSTRIAL TRIBUNAL-CUM-  
LABOUR COURT, ERNAKULAM**

Date: 22-04-2026

**PRESENT: SUSHIL KUMAR-II,  
PRESIDING OFFICER**

**Appeal No. 129/2022**

**BETWEEN**

**M/s. Midland Rubber & Produce Co.Ltd.,**  
Perinaad Estate, Maniyar P.O.,  
Vadasserikkara,  
Pathanamthitta-689 662. ... I Party / Appellant

**AND**

**The Assistant Provident Fund Commissioner**  
Employees Provident Fund Organization,  
Regional Office, Bhavishyanidhi Bhavan,  
Pattom, Thiruvananthapuram-695004. ... II Party / Respondent

**Appearance**

For the Appellant : M/s. Menon & Pai, Advocates

For the Respondent : Mr. Ajoy P.B., Advocate

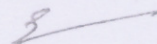
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This appeal has been filed by the Appellant against Order No. KR/TVM/324/Damages Cell /2022-23/3154 dated 19.07.2022 of the Assistant Provident Fund Commissioner, Thiruvananthapuram by which damages amounting to Rs.1,24,101/- was levied against appellant under Section 14B of the Act for the period 02/2015 to 12/2019.

2. Brief facts of the case are that the Appellant owns two estates one is rubber estate and other is tea estate. The service conditions of workers are fixed based on Plantation Labour Committee

settlement. The State Government issued notification G.O. No.24/2021/MVR dated 16.02.2021 revising the wages of workers in the plantations of Kerala. It is submitted that enhancement of wages was with retrospective effect from 01.01.2019. There was a delay in payment of EPF contribution by the Appellant on the arrears paid to the workmen consequent to revision of wages. The Appellant vide its written submissions dated 31.01.2022 (as per Annexure-3) stated that there were short remittance in account No.22 in 11 cases and short remittance in Account No.2 in 4 cases and the Appellant admitted the delay. However, the Respondent authority without considering the submissions made by the Appellant passed impugned order levying damages of Rs.1,24,101/- without taking into consideration of the EPFO Head Office Circular dated 16.05.2011 (as per Annexure-A5) placed at page 43 of the paper book, which is in violation of law. Therefore, the impugned order passed u/s.14B is arbitrary, perverse and illegal and liable to be set aside.

3. In reply, the Respondent filed counter statement, stating that the Appellant has not disputed the statement of belated remittances. It is submitted that the statement of remittance was extracted from the system report which is physically verified by the officers of the Respondent. The Appellant's contention was the PF remittance was made on arrear wages paid retrospectively. While accounting the contribution retrospectively, it becomes imperative on the part of the Appellant to pay damages. As per statute all belated



remittances attract damages u/s.14B of the Act and the Appellant is liable to pay the same for such delay.

4. The learned counsel appearing on behalf of the Respondent relied on judgement of the Hon'ble Supreme Court in Prantiya Vidyut Mandal Mazdoor Federation Vs. Rajasthan State Electricity Board & Ors AIR 1992 SC 1737, whereby the Hon'ble Court held as under:-

"if the original emoluments earned by an employee were "basic wages" under the Provident Fund Act, the substituted emoluments as a result of the wage revision are also to be treated as basic wages and when wages are revised from a retrospective date the revised emoluments earned by the employees has to be taken as part of the contract of employment in the context of the Provident Fund Act and are to be treated as basic wages in terms of Section 2(b) of the EPF & MP Act and statutory contribution is payable on these emoluments in terms of Sec 6 of the Act. Further, as per the statutory provisions the contribution under the Act becomes payable as soon as the wages become due or payable and not on actual payment. In the case of wage revision from retrospective dates the actual contribution due and payable by the employer in respect of an employee under the Act in a particular month will be as per the revised wages and the remittance of the differential contribution on a later date regardless of the reason for such delay will have to be treated as belated remittance and the employer is also statutorily liable to pay penal damages for belated remittance of contribution. Hence when the wages are revised from a retrospective date and arrears are paid a statutory liability is cast upon employer to deduct employees' share of contribution from the arrears and remit the same along with his own share of contribution at the time of disbursement of arrears. When existing pay Scales are revised with effect from back date and the revised wages are paid retrospectively, the contribution payable for the back period will be on the basis of revised salary."

Therefore, the impugned order passed by the Respondent is a speaking order and sustainable in law.

5. Heard the learned counsels appearing on behalf of the either side and perused records. On perusal of the said judgement of the Hon'ble Supreme Court relied on by the Respondent in the case of Prantiya Vidyut Mandal Mazdoor Federation Vs. Rajasthan State Electricity Board & Ors AIR 1992 SC 1737, it is very much clear that in case of wage revision from retrospective dates, the actual contribution due and payable by the employer in respect of an employee under the Act in a particular month will be as per the revised wages and the remittance of the differential contribution on a later date regardless of the reason for such delay will have to be treated as belated remittance and the employer is also statutorily liable to pay penal damages for belated remittance of contribution. Further, the Hon'ble Court held that when the wages are revised from a retrospective date and arrears are paid, statutory liability is cast upon employer to deduct employees' share of contribution from the arrears and remit the same along with its own share of contribution at the time of disbursement of arrears itself. The ratio of the said judgement is squarely applicable to the facts of the present case on hand.

6. Further, the Hon'ble Supreme Court of India in Civil Appeal No.2136 of 2012 in Horticulture Experiment Station Vs. RPF (2022) 4 SCC 516 held that any default or delay in the payment of EPF contribution by the employer under the EPF Act is a sine qua non for imposition of levy of damages under Section 14B of the Act 1952. Therefore, the circular issued the EPFO Head Office dated

16.05.2011 – as per Annexure-A5 relied on by the learned counsel on behalf of the Appellant cannot override the judicial binding decisions rendered by the Hon'ble Apex Court cited supra.

7. In view of the above discussion, in my considered view the impugned order suffers with no illegality and the same is consistent with the law and principles laid down by the Hon'ble Courts. Consequently, I find no merit in the appeal filed by the Appellant and the same is liable for dismissal.

### ORDER


In view of the above, the appeal is liable to be dismissed.

Ordered accordingly.

Record be consigned to the record room.

Place: Ernakulam  
Date: 22-04-2026



  
(SUSHIL KUMAR-II)  
Presiding Officer