

CENTRAL GOVERNMENT INDUSTRIAL TRIBUNAL-CUM-LABOUR COURT,

ERNAKULAM

Date: 13-03-2026
(SPECIAL CAMPAIGN)

PRESENT: SHRI SUSHIL KUMAR-II,
PRESIDING OFFICER

APPEAL No.36/2020

BETWEEN

M/s.Private Motor Workers'
Industrial Co-op Society Ltd
No.4203, Kayamkulam
Alappuzha – 690502

...

I Party / Appellant

AND

The Regional Provident Fund Commissioner
Employees Provident Fund Organization
Sub Regional Office
Bhavishyanidhi Bhavan, Kaloor
Kochi – 682017

...

II Party / Respondent

Appearance

For the Appellant

M/s.M. M. Cherian Law Chambers

For the Respondent

Adv. Sajeev Kumar K. Gopal

1. This appeal has been filed by the Appellant against Order No. KR/KCH/1864/PENAL DAMAGES/2019/10375 dated 31.12.2019 of the Regional Provident Fund Commissioner, Kochi by which damages amounting to Rs.24,31,267/- was levied against appellant under Section 14B of the Act.
2. The Appellant stated that assessment is made at high point without assigning any reason to impose maximum amount of damages.

3. As per the provisions of Section 14B, there are three ingredients.

- A. There must be default on the part of the employer in payment of any contribution to the fund payment of any charge.
- B. The Authorised Officer may recover from the employer (by way of penalty such damages) not exceeding an amount of arrears for such damages, and
- C. Limit of amount not to exceed arrears.

4. These were three ingredients specified that there must be some due payable to the employer and the Authorized Officer may recover it not exceeding the amount of arrears. Thus, Section 14B of the Act is enabling provision and does not envisage any compulsion to levy damages in all cases up to a maximum limit. Before levy of damages, on the given circumstances must be considered by the authority before imposing damages.

5. Having gone through the record and after hearing upon the parties, it appears that the Respondent authority has imposed maximum penalty without assigning any plausible reasons.

ORDER

Therefore, in view of the statements made by both the parties and considering the facts of the present case, it is appropriate to waive **37%** of the amount of damages assessed by the Respondent. Ordered accordingly.

Record be consigned to the record room.

Place:Ernakulam
Date: 13-03-2026



(Sushil Kumar II)
(SUSHIL KUMAR-II)
Presiding Officer