CENTRAL GOVERNMENT INDUSTRIAL TRIBUNAL/EMPLOYEES PROVIDENT FUND APPELLATE TRIBUNAL, JABALPUR

EPF Appeal No.- 162/2017
Present – P.K. Srivastava
H.J.S. (Retd.)

The Durg Brass Metal Workers
Coop. Society Ltd.,
Sadar Bazaar, Durg,
Through Its President
Rajesh Kasar,
S/o. Late Dwarka Prasad Kasar
Aged about 56 Years
R/o. Samerpara, Durg (C.G.)

Appellant

V/s

Employees Provident Fund Organization,
Regional Office- Block-D,
Scheme No.32 Indira Gandhi Vyavsayik Parisar,
Pandri Raipur, Chhatisgarh

Respondent

Shri S.P. Mahawar	**:**	**Learned Counsel for Appellant.**
Shri Jubin Prasad	**:**	**Learned Counsel for Respondent.**

JUDGMENT

(Passed on 13th day of July, 2026)

The present appeal is directed against order dated 14.08.2015 of Respondent Authority, passed by him under Section 7(A) of the Employees Provident Fund and Miscellaneous Provisions Act, 1952.(in short the 'Act'). The Respondent Authority has held the Appellant Establishment liable for the deposit of P.F. dues of its employees for the period between 12/1995 to 09/2014, has assessed amount at Rs. 4,23,831/- and has directed the Appellant Establishment to deposit the amount.

Facts connected are mainly that, the Appellant Establishment is a registered Co operative Society and is covered under the Act. It has been allotted PF Code which it was not aware of and its members used to change after every five years, hence old records were also not available, the enquiry was initiated for the period 12/1995 to 2014. In 2015, records were called for by the Respondent Authority during enquiry, the Appellant Establishment told them that the records were not available because of yearly change in the Governing body. Also that, all the members of the Society was given their EPF share including share of employer contribution. When they left the society, there were only five employees, one retired in September, 2004, remaining three resigned in April, 2005, their resignation was accepted and one was a daily wager who continued as daily wager in service till 2014. The Respondent Authority passed the impugned order and assessment by connected speaking order, hence this Appeal.

Grounds of appeal are mainly that, the Respondent Authority committed error in law in not appreciating the fact that there was no employee working in the Establishment since 2005, the Respondent Authority further committed error in law by ignoring the documents produced by the Appellant Establishment before it, which categorically stated that PF amounts were disbursed to the employees in 2004. Thereafter, one employee retired and rest of the three employees resigned from the Establishment. The Respondent Authority further committed error in law in blindly relied on the report of the Enforcement Officer, which was never supplied to the Appellant Establishment.

In its counter to the appeal, the Respondent Authority came up with the case that, the Act is a beneficial legislation, hence if any provision of the Act is capable of two interpretations, one which is in favour of the beneficiaries. shall be accepted.

According to the Respondent Authority, every establishment which is registered under the Act, is under liability to deposit the PF contribution by the 15th of next month, in which the employees have worked with the establishment and have earned their wages. In case of failure to deposit the dues, enquiry under Section 7-A may be conducted and the establishment will be directed to deposit the PF dues assessed by the Respondent Authorities. Failure in deposit of PF dues inn time attracts interest under Section 7-Q and Penal damages under Section 14-B of the Act.

It is further the case of the Respondent Authority that, two squads of two Officials from PF Organization visited the site of the Appellant Establishment on 07.07.2014 to verify compliance. One employee was found working, it was found that the Appellant Establishment had failed to deposit PF and allotted dues of its employees and hence notice under Section 7-A was issued to them. An enquiry under Section 7-A was initiated to assessed the dues for the period 12/1995 to 09/20142014. None appeared on as many as 11 dates, mentioned in Para 2.5 of the counter. Representative of the Appellant Establishment appeared only on three dates i.e. 18.03.2015, 21.04.2015 and 11.05.2015, but failed to produce any documents which were summoned. Hence, the Enforcement Officer was directed to submit his report. The Enforcement Officer prepared his report dated 14.05.2015 on the basis of records available, this report was duly served on the Appellant Establishment, they were given as many as 12 opportunities thereafter to have their say on the report, in which they failed, hence relying on the report of the Enforcement Officer, the impugned order and assessment was passed.

I have heard argument of Learned Counsel Mr. S.P. Mahawar for the Appellant Establishment and Mr. Jubin Prasad Learned Counsel for the Respondent Authority. I have gone through the record as well.

On perusal of record in the light of rival arguments following points comes up for determination –

1. ***Whether the impugned findings of the Respondent Authority that the Appellant Establishment has failed to deposit PF dues of its employees for the period***

> ***under assessment and is liable to deposit the same amount as well the assessment has been recorded correctly in fact and law?***

Learned Counsel for the Appellant Establishment has submitted that, the enquiry report prepared by the Enforcement Officer, which is the basis of the findings in the impugned order, have not been supplied to them but their this argument is not supported from record. The Enquiry Report (photocopy) is Annexure R/2 to the Counter. There is a signature of the President of Appellant Establishment, which shows that the enquiry was in fact served on them.

In its enquiry report, the Enforcement Officer has found that Five employees were engaged directly on September, 2014, remittance with respect to one employee engaged directly was shown whereas there was drop in membership of four employees, the Appellant Establishment was directed by the Enforcement Officer to produce documents with respect to deposit of PF dues of the employees which was never produced by the Appellant Establishment before them.

Before this Tribunal, the Appellant Establishment has taken a case that, four employees namely Ram Krishan Kohli, Ram Kumar Devangan, Panchram Sahu and Gogul Prasad Sahu left the Establishment and vide order dated 18.06.2004, their dues including PF deposits were paid to them. Thereafter, no contribution was deposited with respect to these four employees. After April 2005, the Appellant Establishment has engaged only one daily wager, which keeps changing. His PF dues were not deducted and not deposited.

Except their certified resolutions of Appellant Establishment with respect to four employees who left the Establishment according to it, there is nothing on record to substantiate this case of Appellant Establishment.

The Appellant Establishment was under obligation to furnish their PF dues, proof to deposit of their PF dues, which is not made available at any stage. Hence, in such circumstances, the impugned findings and assessment cannot be faulted in law or fact. Ignorance of law, as pleaded by Appellant Establishment, will not help them.

In the light of above discussion, the impugned finding and assessment are held to have recorded correctly in law and fact and are upheld.

No other point was pressed.

In the light of above discussion and findings, the Appeal is held without merits and fails.

ORDER

Appeal dismissed.

No order as to cost.

Date:- 13/07/2026

P.K. SRIVASTAVA
(PRESIDING OFFICER)

Judgment Signed, dated and pronounced.

Date:- 13/07/2026

P.K. SRIVASTAVA
(PRESIDING OFFICER)