22.01.2025
Court No.13
Item No.9
AP

FMA 1471 of 2015

Kelvin Jute Limited and Anr.
Vs.
Central Board of Trustees for the Employees Provident Fund Organisation and Ors.

Mr. Soumya Majumder, Senior Advocate
Mr. Kumar Gupta
Mr. Deepak Kr. Jain
…. For the Appellants.

Mr. Sukumar Bhattacharyya
Mr. Rajesh Kumar Shah
…. For the Union of India.

Ms. Aparna Banerjee
…. For the PF Authority.

1. The instant appeal has been filed against an interim order dated 12th February, 2015 passed by the Single Bench of this Court. By the said order, the Single Bench directed unconditional stay of the orders passed under Section 14B of the Employees' Provident Fund & Miscellaneous Provisions Act, 1952 on the condition that they will secure the demand by depositing the sum due with the Registrar General of this Court.

2. Initially, when the appeal was filed, a coordinate Bench had passed an interim order restraining the respondents from making any coercive steps against the appellants.

3. Mr. Soumya Majumder, learned senior counsel appearing for the appellants would argue that the company was under a revival under the provision of the Sick Industrial Companies (Special Provisions) Act 1985. The BIFR sanctioned a scheme on 28th September, 2011 for revival of the company. Clause 15.3 of the said scheme provided that the EPF authority would accept principal dues of Rs.348.66 lacs in 84 equated monthly installments without any interest from 1st April 2011. The entire interest, past and future, was to be waived, upon payment of the aforesaid sum of Rs.348.66 lacs.

4. Based thereon the EPF authorities by an order dated 11th February, 2015 have withdrawn the demand under Section 7Q of the Act of 1952 for Rs.34,57,718/-. The claim for damages under Section 14B of the Employees' Provident Fund & Miscellaneous Provisions Act, 1952 was also waived and withdrawn to the extent of Rs.18,99,009/- for the period from October 1988 to July 2005.

5. The EPF authorities have raised a demand for damages from 1st April 1996 till 31st December, 2013 which is impugned in the writ petition.

6. Having regard to the facts and circumstances of the case, the order of the BIFR, and the positive revival

of the company, this Court is of the view that the company would now be liable to pay damages that may be recalculated by the EPF authorities from July 2005 till 31st December, 2013.

7. The EPF authorities shall be at liberty to grant installments for payment of the aforesaid damages to the appellants/writ petitioners.

8. Let a communication containing the calculation of the damages as directed above be made to the appellants/writ petitioners within a period of three weeks from date.

9. The orders impugned in the writ petition shall stand modified in view of the directions made hereinabove.

10. In view of the above, nothing further remains to be adjudicated either in the appeal or the writ petition.

11. Hence the instant appeal and the W.P 13 of 2015 shall stand disposed of.

12. Consequently, all connected pending applications in the appeal and Writ Petition if any, is also disposed of.

13. There shall be no order as to costs.

14. All parties shall act on the server copy of this order duly downloaded from the official website of this Court.

(Rajasekhar Mantha, J.)

(Ajay Kumar Gupta, J.)