IN THE HIGH COURT OF JUDICATURE AT BOMBAY
CIVIL APPELLATE JURISDICTION

WRIT PETITION NO.4509 OF 2025

M/s. The Karad Urban Cooperative Bank Limited ...Petitioner

Vs.

Regional Provident Fund Commissioner-I and Ors. ...Respondents

Mr. Kiran Bapat (Senior Advocate) a/w Ms. Rutuja Bapat i/b Mitali Dhoble for the Petitioner.

Ms. Ranjana Todankar for Respondent Nos. 1 and 2.

Mr. Yogesh Birajdar for the Respondent Nos. 3 to 36.

CORAM : RAVINDRA V. GHUGE &
ASHWIN D. BHOBE, JJ.

DATE : 5TH MAY, 2025

P.C. :-

1. This matter was heard extensively and was posted today for further hearing and disposal. However, the learned Advocate of the 34 Pigmy Agents and the learned Senior Advocate on behalf of the Petitioner Management, jointly submit the original Consent Terms along with the personal statements of each of the 34 Pigmy agents (26 pages). Both the parties request the Court to keep the original Consent Terms on record.

2. Hence, same is taken on record and marked as **'X'**

collectively, for identification (26 pages).

3. The learned Senior Advocate submits on instructions from the Petitioner that none of these Pigmy Agents are bound to any restrictions of the Petitioner Bank, save and except, that as a part of the collection of the commission from depositors, the commission earned on such collections/amounts, would be deposited by the PigmyAgents in their savings accounts with the Petitioner Bank.

4. The Consent Terms are from Sr. No.1 to 5 on page No.1 and 2, of the compilation **'X'**. Both the parties i.e. the Management as well as the Pigmy Agents, submit that the Impugned order passed by the Regional Provident Fund Commissioner dated 7th March, 2024, be quashed and set aside by consent.

5. This is seriously objected to by the learned Advocate appearing for the Provident Fund Department. She submits that the Provident Fund Authority has delivered an order. The Petitioner is before the Court. The Bank and the Pigmy Agents cannot consent for setting aside the Impugned order which is passed by a Statutory Authority. It's legality will have to be tested by this Court. She

however, submits that the Enforcement Officer had interrogated only four of the Pigmy Agents. Considering the law laid down by this Court in the ***Pachora Peoples' Co-operative Bank Ltd. Vs. Employees Provident Fund Organization*** (2014) SCC OnLine Bom 5086, as well as the Review judgment in ***Pachora Peoples' Cooperative Bank Limited Vs. Employees Provident Fund Organization*** (2017) 2 Mh. L.J. 946, each of the Pigmy Agents should have been interrogated since there could be a position that some of the Pigmy Agents are dedicatedly working with a particular Bank and have a privity of Contract with only one Bank with a clear embargo of not collecting deposits from the depositors for several Banks.

6. Hence, in the case of such Pigmy Agents, those who have a 'one to one' relationship with the Bank, could be entitled for claims under the provisions of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952. Those who are freelancers to operate with several Banks, may not be covered by the provisions of the 1952 Act. She, however, concedes that the Authority should have directed the Enforcement Officer to interrogate even the remaining 30 Pigmy Agents since only four were interrogated out of the 34.

7. She submits, in the alternative, that in the light of the Consent Terms between the Bank and the Pigmy Agents marked as **'X'**, apparently all these Pigmy Agents would now withdraw their complaints with the Provident Fund Authority.

8. The learned Advocate representing the Agents points out, as has been set out in the settlement dated 16th March, 2025 at page Nos. 9 to 26, more particularly, in paragraph No. 2 on page No.15 of the document **'X',** that these Agents had earlier approached the Provident Fund Authorities with their grievance that their Provident Fund contributions were not been deducted and the employer's share has not been deposited. Now they are contending that they had lodged complaints out of misunderstanding, lack of knowledge, misrepresentation by someone, or advice by somebody etc.

9. She, therefore, submits that no person should be allowed to set the process of law into motion and then withdraw the complaint only after having a convenient settlement with the other side. She prays for cost of Rs. 5,000/- per Agent for having wasted the time of the Provident Fund Authorities and for having made the

Authorities conduct a full-fledged investigation into their complaints, in the light of the judgment of this Court in the case of ***Pachora Peoples Cooperative Bank Limited*** (supra).

10. The learned Advocate for the Agents submits that each of them is actually a freelancer. There is no restriction on their activities as Pigmy Agents dedicated only to the Petitioner Bank. They also have their other sources of income like operating grocery store, a shop, vegetable vendor, farming etc. They are not wholly dependent upon the collection of the monthly contributions of the depositors. However, on instructions, he submits that each of the Agents is willing to pay Rs.2,000/- as cost to Respondent No.1 within a period of 30 days from today.

11. By recording the above statements, this **Writ Petition is disposed off.** The Impugned order would lose its efficacy in view of the Consent Terms **'X'** and the statements made by the Agents and the Bank from page Nos.9 to 26, which is a part of the Consent Terms. Each of the Agents i.e. Respondent No.3 to 36, shall deposit an amount of Rs.2,000/- with the Respondent No.1 Authority at Kolhapur, on or before 10th June, 2025.

12. We record that if any Pigmy Agent defaults in making such payment, the Petitioner Bank shall deduct the said amount from the commission of the concerned Agents and deposit the said amount with Respondent No.1, on or before 20th June, 2025.

13. It is made clear that none of the Pigmy Agents before us will be permitted to resile from their statements made before this Court and no grievance on any count whatsoever, with regard to the above statements made, in the form of filing of a review petition, would be entertained.

(ASHWIN D. BHOBE, J.) **(RAVINDRA V. GHUGE, J.)**