30.03.2026
Court No.13
Item No. 37
pk

M.A.T. 427 of 2026
CAN 1 of 2026

Asiad Detective Bureau and another
Vs.
Union of India and others

Mr. Debasish Ghosh,
Mr. Ankit Kanodia
Ms. Megha Agarwal
Ms. Tulika Roy
… for the appellants.

Mr. Sima Sengupta
… for the Provident Fund.

1. The appeal is directed against an order dated 03.02.2026 passed by a Single Bench of this Court.

2. The brief facts relevant to the case are that the appellants are engaged in the business of supplying labour to various hospitals run by the State of West Bengal.

3. Pursuant to proceedings under Section 7A of the Employees Provident Fund and Miscellaneous Provisions Act, 1952 that culminated in order dated 23.02.2024, the respondent Provident Fund authorities found that the appellants had omitted making deposits towards provident fund of labourers supplied to the hospitals. A lump sum amount of above Rs.5 crores was arrived at by the Employees Fund Authorities payable by the appellant extablishment under Section 7A of the Act of 1952.

4. The appellants contended before the authorities and before the Single Bench that determination of any lump sum amount as outstanding dues payable by the

appellants towards provident fund under Section 7A is by itself illegal.

5. It is further submitted that the appellants were not furnished with the evidence colleocted by the respondent-Provident Fund authorities in support of the finding of any impropriety in deposit of provident fund dues of the labourers and staff, supplied to the hospitals.

6. With the aforesaid contention, the appellants sought review of the order passed under Section 7A in terms of Section 7B of the Act of 1952. The EPF Authorities rejected the said application under Section 7B, inter alia, on the ground that no new evidence has been produced by the appellants.

7. The orders passed under Section 7B formed the subject matter of the writ petition before the Single Bench.

8. The writ petition was rejected by the Single Bench, inter alia, on the ground that the appellants have sufficient alternative remedy to prefer an appeal against the order passed under Section 7A in terms of Section 7(i) of the Act of 1952.

9. It is contended by the learned counsel for the appellants that since the mandatory pre-deposit under Section 7(o) is an onerous condition, the writ court ought to have entered into the propriety of the decision of the respondent passed under Sections 7A & 7B of the said Act.

10. Learned counsel for the provident fund authorities has vehemently opposed the maintainability of the appeal. It is submitted that an order passed in review under Section 7B

cannot be challenged. The remedy of the appellants, if at all, is to maintain a challenge to the order passed under Section 7A. It is next contended that even a writ petition challenging the order under Section 7A is not maintainable since there is an effective alternative remedy under the Act of 1952 in the form of an appeal under Section 7(i).

11. This Court has carefully considered the arguments advanced by the learned counsel for the appellants and the provident fund authorities.

12. Indeed there is substance in the arguments advanced by the provident fund authorities that the remedy of an appeal under Section 7A is a comprehensive remedy contained in a Complete Code being the Act of 1952.

13. This Court is also of the view that a statutory appellate authority is empowered to enter into the factual errors, if any, committed by the first authority. Such power is rather limited before a writ court under Article 226 of the Constitution of India where disputed questions of fact are generally not gone into.

14. In the light of the above, having regard to the provisions of pre-deposit, when the appellants contend that no sum is due and payable to the provident fund authorities, this Court permits the appellants to file an appeal against an order passed under Section 7A dated 23.02.2024 as forwarded to it under cover of the letter dated 14.03.2024 within a period of one month.

15. The appellants shall furnish a bank guarantee to be payable on demand and without demur towards 75% of the

sums demanded in the order passed under Section 7A on or before the date of first hearing of the appeal.

16. The text of bank guarantee required by the provident fund authorities shall be settled by them and communicated to the appellants within a period of four weeks from date.

17. In default of furnishing bank guarantee, as directed hereinabove, the appeal shall stand automatically dismissed and the provident fund authorities shall be entitled to execute the order under Section 7A. In the event, however, the bank guarantee is furnished, as directed hereinabove, the appellate authority shall hear out the appeal of the appellants and dispose of the same within a period of five months from the date of filing thereof. No unnecessary adjournments shall be granted to the appellants by the appellate authority.

18. The respondent PF Authorities shall supply within a period of fifteen days from date, all documents and evidence relied upon by it in arriving at the finding under Section 7A. The appeal shall be filed mandatorily within a period of 30 days thereafter.

19. The appellants shall be at liberty to disclose and rely upon all documents in support of their claim against the impugned order passed under Section 7A by the provident fund authorities.

20. The arrest warrant issued by the provident fund authorities against the appellants shall be kept in abeyance

and the same shall abide by the result of the appeal or the default clause indicated hereinabove.

21. With the aforesaid observations, the appeal is disposed of. Consequently, all pending connected applications also stand disposed of.

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

(Rajasekhar Mantha, J.)

(Rai Chattopadhyay, J.)