



No. TS/RO/PTC/PD/Z-2/18682/14B & 7Q Order/2024/

Date: 12/01/2024

DIARY NO:408/2023

**ORDER OF THE ASSISTANT PROVIDENT FUND COMMISSIONER UNDER SECTION
14B & 7Q OF THE EMPLOYEE'S PROVIDENT FUNDS AND MISCELLANEOUS
PROVISIONS ACT, 1952**

In the matter of levy of Damages under Section 14B and Quantification of Interest under Section 7Q of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 in r/o M/s DHANLAXMI IRON INDUSTRIES, BONTAPALLY, JINNARAM (M) SANGAREDDY (DT) bearing PF Code No. AP/PTC/18682.

1. WHEREAS, M/s **DHANLAXMI IRON INDUSTRIES** (herein after referred to as the "Establishment") to which the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, (herein after referred to as the "Act") applies were required to pay the following dues within 15 days of the close of every month:
 - i. The Provident Fund Contributions and Administrative Charges towards Employees' Provident Fund under Section 6 of the Act read with Para 38 of the Employees' Provident Funds Scheme, 1952.
 - ii. The Pension Fund Contributions under Section 6A of the Act read with Para 3 of the Employees' Pension Scheme, 1995.
 - iii. Employees' Deposit Linked Insurance Fund Contributions and Administrative Charges towards Insurance Fund under Section 6C of the Act read with Para 8 of the Employees' Deposit Linked Insurance Scheme, 1976.
2. AND WHEREAS, the Employer in relation to the establishment failed to pay within the due date:
 - i. The EPF contributions (A/c . I) & EPS contributions (A/c . X)
 - ii. The Administrative Charges towards Provident Fund (A/c. II)
 - iii. The Employees Deposit Linked Insurance Fund contributions (A/c.XXI) and Administrative Charges towards Insurance Fund (XXII).
3. WHEREAS, Summons No. AP/PTC/0018682/000/Enf 501/Damages/ Dated: 22.11.2023 (vide letter No. EPFO/RO/PTC/PD Cell/Z-2/18682/14B/2023/1573 and EPFO/RO/PTC/PD Cell/Z-2/18682/7Q/2023/ dated: 23.11.2023) was issued to the Employer of the aforesaid Establishment to show cause as to why Damages should not be levied under Section 14B of the Act for the period from 01/2016 to 02/2023 duly giving the opportunity for virtual hearing on 13.12.2023.

Case was called on 13.12.2023. Mr. Chaitanya, Manager attended the inquiry on behalf of the Establishment and accepted the PD statement. Hence, inquiry was concluded.

Further, on verification of Application Software, it is noticed that Employer has remitted total 14B & 7Q dues of Rs.19,494/-. Accordingly, Damages u/S 14B are levied and Interest u/S 7Q is quantified by considering the paid amounts.

4. The Employees' Provident Funds and Miscellaneous Provisions Act, 1952 (here in after referred as the Act) is a social welfare legislation aimed at providing social security benefits to workers in the organized sector. Successful working of social security scheme depends on the prompt compliance by any Stakeholders (Employer, in case of this Act). Para 38 of the Employees' Provident Funds Scheme, 1952 casts upon the Employer the duty to pay the statutory dues within 15 days of the close of every month whereas Section 14B of the Act provides for levy of Penal Damages on belated remittances. Irrespective of date of remittance of dues by the Employer, interest is required to be credited from the due date. In order to safeguard the interest of the Employees by providing them the due interest as well as to have a deterrent effect in the minds of the defaulting Employers, provision for levy of Damages has been provided in the EPF & MP Act, 1952.
5. The amount of damages u/s 14B and interest u/s 7Q in respect of each account is shown below:

PERIOD: From 01/2016 to 02/2023:

S.No	Name	A/c No.	Amount levied u/s 14B ₹	Amounts Quantified u/s 7Q ₹	Total Payable ₹	Amounts Paid ₹
1.	The EPF Contribution	I	5231	5630	10861	10861
2.	The Administrative Charges	II	1528	981	2509	2509
3.	The Pension Fund Contributions	X	2780	2994	5774	5774
4.	The EDLI Contributions	XXI	167	180	347	347
5.	The EDLI Administrative Charges	XXII	1	2	3	3
TOTAL			9707	9787	19494	19494

6. The Employer of the above said Establishment has made full amount of ₹19,494/- towards Penal Damages u/S 14B and Interest u/S 7Q vide Challan Ref No.740141223019002 dated 14.12.2023. Hence, the amount payable is "NIL".

7. This order is without prejudice to levy of Damages for the earlier / later period of default, if any.

ISSUED UNDER MY SIGNATURE & SEAL ON THIS DAY OF _____ JANUARY, 2024
AT REGIONAL OFFICE, PATANCHERU.

(आर श्रीदेवी/ R SRIDEVI)

सहायक भविष्य निधि आयुक्त/APFC &
Authority u/S 14B& 7Q of the Act.

To,

THE EMPLOYER,
M/s DHANLAXMI IRON INDUSTRIES,
BONTHAPALLY, JINNARAM (M)
SANGAREDDY (DT) – 502313.