தொழிலாளர் வருங்கால வைப்பு நிதி நிறுவனம்
कर्मचारी भविष्य निधि संगठन
EMPLOYEES' PROVIDENT FUND ORGANISATION
மத்திய தொழிலாளர் மற்றும் வேலைவாய்ப்பு அமைச்சகம்
सत्यमेव जयते श्रम एवं रोजगार मंत्रालय, भारत सरकार / **MINISTRY OF LABOUR AND EMPLOYMENT, GOVT.OF INDIA**
பிராந்திய அலுவலகம், ஸ்ரீபெரும்புதூர் / क्षेत्रीय कार्यालय, श्रीपेरुमबुदुर / **Regional Office, Sriperumbudur**
3, ராஜாஜி சாலை, மேற்கு தாம்பரம், சென்னை–600045. 3, राजाजी रोड, पश्चिम ताम्बरम, चेन्नई - 600045.
No.3, RAJAJI SALAI, WEST TAMBARAM, CHENNAI – 600045.

No. TB/RO/TBM/PDC/525/1363373/14B/2025-26 Date: 28.11.2025

DIARY NO. 218/2025

PROCEEDINGS OF THE ASSISTANT PROVIDENT FUND COMMISSIONER, IN THE MATTER OF LEVY OF PENALTY UNDER SECTION 14B OF THE EMPLOYEES PROVIDENT FUND AND MISCELLANEOUS PROVISIONS ACT 1952.

Whereas, **M/s. BBP ENTERPRISES,** (Hereinafter referred to as the establishment) is an establishment covered under the Sec 1(3)(b) of the Employees' Provident Fund and Miscellaneous Provisions Act, 1952 (Hereinafter referred to as the Act), and to identify the establishment for its compliance under the Act, Code number TB/TAM/1363373 was allotted with effect from 01-07-2015.

2. And whereas the Employer in relation to the establishment failed to remit the provident fund and allied dues for the period from 04/2020 to 03/2024 within the stipulated time frame, i.e., within fifteen days from the close of every month. A Summons/ notice under section 14B of the Act was sent under reference No.: TB/TAM/1363373/000/Enf 525/ Damages/Dated 16-01-2025, why Penal Damages should not be levied as per the provisions of the Act and the EPF Scheme, 1952, and to appear before the Regional PF Commissioner II in case of any dispute, to avail the opportunity to represent the case of the establishment on 30-01-2025.

3. Whereas the Summons/Notice, along with the calculation of interest, was acknowledged by the establishment. The employer did not appear for the inquiry on 30-01-2025. Further opportunities were provided to the employer on the dates 19-02-2025, 12-03-2025, 02-04-2025, 17.07.2025, 09.10.2025, 30.10.2025. Although the letters were duly acknowledged, the employer failed to appear at the inquiry to provide representation. Since the employer has not appeared and has not raised any dispute in the calculation of the Penal Damages prescribed under section 14B of the Act, it was deemed that the employer has no dispute in the calculation or its leviability. Hence, the inquiry is concluded.

4. The establishment was in the practice of remitting the EPF and other dues belatedly over the period. By paying the dues belatedly, the establishment has enjoyed the boon of delay and used the employees' hard-earned money for its own purpose.

5. The efficient functioning of the Act and the schemes framed under the Act, which intend to ensure the social security benefits of retirement savings, retirement pension, and insurance to the employees of the establishment, depends upon the full cooperation of the employer to pay the dues as per the Act. If the employer does not abide by the law for their own benefit, it affects the implementation of the scheme for the benefit of the employees, who are the members of the scheme. To deter the practice of paying the dues belatedly is the purpose of the penal clause under Section 14-B of

the Act. It is a warning for the employers not to commit a breach of the statutory requirements of sec. 6 of the Act.

6. I have considered the payments made by the employer under the Act. It is fit to levy a penalty on the employer for violation of the provisions of Section 6 of the act, read with Para 38 of the EPF Scheme 1952, for paying the monthly contributions belatedly beyond 15 days of the close of every month during the period 04/2020 to 03/2024.

ORDER

I, D Rajkumar, Assistant Provident Fund Commissioner, Sriperumbudur, in exercise of the powers conferred on me under Sec. 14B of the Act, the penalty has been imposed on the employer for the period 04/2020 to 03/2024 as follows.

Particulars (In Rs.)	A/c No. 1	A/c No. 10	A/c No. 2	A/c No. 21	A/c No. 22	Total
Amt levied	7642	4057	150	151	0	12000
Amt. Paid	0	0	0	0	0	0
Balance	7642	4057	150	151	0	12000

The employer of the establishment is directed to pay the above amount of Rupees Twelve thousand (Rs. 12000/-) within 15 days of receipt of this order.

Issued under my hand and seal on 28.11.2025

(D RAJKUMAR)
ASSISTANT PF COMMISSIONER

To
M/s. BBP ENTERPRISES
NO 36 MAHATMA GANDHI STREET
KONGANANCHERY VI PALUR PO
KANCHEEPURAM – 603101

தொழிலாளர் வருங்கால வைப்பு நிதி நிறுவனம்
कर्मचारी भविष्य निधि संगठन
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सत्यमेव जयते श्रम एवं रोजगार मंत्रालय, भारत सरकार / MINISTRY OF LABOUR AND EMPLOYMENT, GOVT.OF INDIA
பிராந்திய அலுவலகம், ஸ்ரீபெரும்புதூர் / क्षेत्रीय कार्यालय, श्रीपेरुमबुदुर / Regional Office, Sriperumbudur
3, ராஜாஜி சாலை, மேற்கு தாம்பரம், சென்னை–600045 3, राजाजी रोड, पश्चिम ताम्बरम, चेन्नई - 600045.
No.3, RAJAJI SALAI, WEST TAMBARAM, CHENNAI – 600045.

No. TB/RO/TBM/PDC/525/1363373/7Q/2025-26 Date: 8.11.2025

DIARY NO. 218/2025

PROCEEDINGS OF THE ASSISTANT PROVIDENT FUND COMMISSIONER, IN THE MATTER OF LEVY OF INTEREST UNDER SECTION 7Q OF THE EMPLOYEES PROVIDENT FUND AND MISCELLANEOUS PROVISIONS ACT 1952.

Whereas, **M/s. BBP ENTERPRISES,** (Hereinafter referred to as the establishment) is an establishment covered under the Sec 1(3)(b) of the Employees' Provident Fund and Miscellaneous Provisions Act, 1952 (Hereinafter referred to as the Act), and to identify the establishment for its compliance under the Act, Code number TB/TAM/1363373 was allotted with effect from 01-07-2015.

2. And whereas the Employer in relation to the establishment failed to remit the provident fund and allied dues for the period from 04/2020 to 03/2024 within the stipulated time frame, i.e., within fifteen days from the close of every month. A Summons/notice under section 7Q of the Act was sent under reference No.: TB/TAM/1363373/000/Enf 525/ Damages/Dated 16-01-2025, why Interest should not be charged as per the provisions of the Act and the EPF Scheme, 1952, and to appear before the Regional PF Commissioner II in case of any dispute, to avail the opportunity to represent the case of the establishment on 30-01-2025.

3. Whereas the Summons/Notice, along with the calculation of interest, was acknowledged by the establishment on. The employer did not appear for the inquiry on 30-01-2025. Further opportunities were provided to the employer on the dates 19-02-2025, 12-03-2025, 02-04-2025, 17.07.2025, 09.10.2025 and 30.10.2025. Although the letters were duly acknowledged, the employer failed to appear at the inquiry to provide representation. Since the employer has not appeared and has not raised any dispute in the interest calculated at the rate prescribed under section 7Q of the Act, it was deemed that the employer has no dispute in the calculation or its leviability. Hence, the inquiry is concluded.

4. Whereas Section 7Q of the Act reads as "The employer shall be liable to pay simple interest at the rate of twelve per cent, per annum or at such higher rate as may be specified in the Scheme, on any amount due from him under this Act from the date on which the amount has become so due till the date of its actual payment: *Provided that higher rate of interest specified in the Scheme shall not exceed the lending rate of interest charged by any scheduled bank.*".

5. Delay in payment of contributions to the fund causes loss to the beneficiaries. To compensate for the loss to beneficiaries, a simple interest at the rate of 12 per cent per annum is charged from the employer. If the employer had paid the dues on time, this interest would have been earned by investing at the correct time and credited into the members' account by the Employees' Provident Fund Organisation (EPFO), which was

clearly stated in the judgement in the case of *M/s Khodays Systems Ltd., Bangalore, and others Vs. RPF Commissioner (Enforcement) Bangalore, by the Honourable High Court of Karnataka, as" What is contemplated under Sec. 7Q is only payment of interest on failure to make contribution well in time, as in the usual course, such deposit would have necessarily earned interest."*

6. The Organisation has the duty to credit the interest into the members' accounts on time. The establishment has enjoyed the boon of a delay in the payment to the fund and might have used the money in hand otherwise, during the period of delay in remittance. Hence, in view of the above deliberations, the interest is charged at the simple interest rate of 12% for the period of delay, on the establishment to compensate the interest credited by the EPFO into the members' accounts belonging to this establishment.

ORDER

I, D Rajkumar, Assistant Provident Fund Commissioner, by virtue of the powers conferred under the Act, order for payment of the Interest under Section 7Q of the Act for the period 04/2020 to 03/2024 as per Annexure A of the summons/notice mentioned in the second paragraph of the proceedings. The Interest so calculated for the period is mentioned below.

Particulars	A/c No. 1	A/c No. 10	A/c No. 2	A/c No. 21	A/c No. 22	Total
Interest	12952	6874	357	359	0	20542
Remittance	0	0	0	0	0	0
Balance	12952	6874	357	359	0	20542

The employer of the establishment is directed to pay the above amount of Rupees Twenty thousand five hundred and forty-two (Rs. 20542/-) within 15 days of receipt of this order.

Issued under my hand and seal on 24.11.2025

(D RAJKUMAR)
ASSISTANT PF COMMISSIONER

To
M/s. BBP ENTERPRISES
NO 36 MAHATMA GANDHI STREET
KONGANANCHERY VI PALUR PO
KANCHEEPURAM – 603101