

IN THE HIGH COURT OF GUJARAT AT AHMEDABAD**R/SPECIAL CIVIL APPLICATION NO. 2670 of 2026****FOR APPROVAL AND SIGNATURE:****HONOURABLE MR. JUSTICE HEMANT M. PRACHCHHAK**

Approved for Reporting	Yes	No

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M/S FORTUNE SERVICES THROUGH PARTNER BHUPENDRA RANA
Versus
THE CENTRAL BOARD OF TRUSTEES, EMPLOYEES PROVIDENT FUND
ORGANISATION & ANR.

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Appearance:

MR KARAN R SHAH(11501) for the Petitioner(s) No. 1
MR NISARG J DESAI(13298) for the Petitioner(s) No. 1

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**CORAM: HONOURABLE MR. JUSTICE HEMANT M.
PRACHCHHAK**

Date : 27/02/2026**JUDGMENT**

1. Present petition is filed by the petitioner - Firm under Articles 226 & 227 of the Constitution of India read with the provisions of the Employees Provident Funds & Mics. Provisions Act, 1952 (hereinafter be referred to as "*the Act*") challenging the order dated 21.12.2023 passed by the learned Assistant Provident Fund Commissioner, Vadodara, whereby, the proceedings under Section 7A was conducted and an amount of Rs.51,76,860/- was determined by the learned Commissioner to be recovered from the petitioner herein.

2. Brief facts giving rise to the present petition are that, the

present petitioner is a registered firm under the Partnership Act, 1932 and was engaged with the work of Manpower Supply to various Organizations. That, the respondent department had initiated a 7A proceedings against the present petitioner establishment on 24.11.2022, and in response thereof, the petitioner firm had submitted the records on 02.05.2023. That, the Enforcement Officer of the respondent department had submitted the deposition report (Dues Assessment Statement) based on the records submitted by the petitioner firm on 20.11.2023, copy of which was to be served to the Petitioner Firm, however, the same was never served to the Petitioner Firm. That, the respondent department, based on the report submitted by the Enforcement Officer on 20.11.2023, reserved the matter for order on 04.12.2023. That, the Assistant Provident Fund Commissioner based on the deposition report by the Enforcement Officer passed an Order on 21.12.2023, pursuant to which, the respondent department has issued a Recovery Certificate dated 02.04.2024. That, the respondent department has recovered INR 3,68,865/- from the bank account of the petitioner firm on 06.06.2024.

3. Being aggrieved by and having dissatisfied with the order passed under section 7A by the respondent, petitioner Firm has preferred this petition.

4. Heard Mr. Karan Shah, learned counsel appearing for the petitioner Firm.

5. Learned counsel Mr. Shah has submitted that the impugned order passed by the authority is illegal, unjust,

arbitrary, erroneous and contrary to the facts and material on record and the provisions of the Act and therefore, the same is required to be quashed and set aside. He has submitted that the Honorable Supreme Court of India in Food Corporation of India versus Provident Fund Commissioner and Others, SCC-1990-1-68 clarified that it is the duty of the Commissioner to find out the actual beneficiaries, however, in the present case, the respondent department has failed to identify the actual beneficiaries to whose account the EPF shall be credited. He has submitted that despite submission of the salary sheets and averments that the Principal Employers have failed to pay the Employer share of EPF, the respondent department failed to call the Principal Employers to the 7A proceedings and has fastened the EPF liability to the Contractor illegally. He has submitted that the department has without going into the actual default fastened the liability to the contractor without his default. He has submitted that the Department has not taken into consideration the amount paid by the Petitioner Firm and has shown payment NIL despite of payment of INR 10,25,209/-. Over and above the grounds agitated in the memo of petition, learned counsel Mr. Shah has urged that the impugned order is required to be quashed and set aside and the present petition is required to be allowed.

6. I have heard the learned counsel appearing for the petitioner and perused the material placed on record. I have also gone through the impugned order passed by the authority. The petitioner has challenged the order passed by the authority under Section 7A of the Act, against which, a statutory remedy of preferring an appeal is already provided under the law, however,

to avoid the delay, the petitioner has directly approached this Court by way of filing present petition, and therefore, this Court is not inclined to entertain the present petition.

7. In the result, the present petition being devoid of any merits deserves to be dismissed and it is accordingly, dismissed. There shall be no order as to costs.

(HEMANT M. PRACHCHHAK,J)

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