

Before

Abid Hussain - Executive Director/Head of Department

In the matter of

Dewan Cement Limited

Date of Hearing

September 29, 2022

Order-Redacted Version

Order dated October 18, 2022, was passed by Head of Department (Adjudication-I) in the matter of Dewan Cement Limited. Relevant details are given hereunder:

Nature	Details
1. Date of Action	Show Cause Notice dated July 27, 2022
2. Name of Company	Dewan Cement Limited
3. Name of Individual*	The proceedings were initiated against the Company
4. Nature of Offence	Under Section 218 of the Companies Act, 2017 read with Section 219 thereof
5. Action Taken	<p>Key findings are given as hereunder:</p> <p>I have gone through the facts of the case, relevant provisions of the law and records placed before me. In this context, I have observed that the Respondent did not transfer the provident fund contributions within time period of fifteen days, as stipulated in Section 218 of the Act. The Respondent has acknowledged the said delay in transferring of employee's contributions to the provident fund. Moreover, I have noted that the Respondent in 2021 Accounts disclosed the total payable amount of Rs 43.2 million in terms of provident fund contributions. Out of this; the Respondent vide letter dated October 12, 2022 provided the evidence of payment of Rs 23.371 million only; while no evidence of payment of the remaining amount has been provided. This depicts that the Respondent has not yet transferred the full contribution to the provident fund. Therefore, after careful consideration of all the facts of the case, I am of the considered view that the Respondent has contravened the provisions of subsection (1) of Section 218 of the Act and are liable for penalty under Section 219. Taking cognizance of the submissions by respondents and in exercise of the powers conferred under the said provision, I therefore in term of power conferred under Section 219 of the Act, impose penalty of Rs. 10,000/- (Rupees Ten Thousand Only). The respondent is hereby advised to transfer the outstanding amount to the</p>

	<p>provident fund on immediate basis and submit evidence of the same to the Commission reflecting compliance of the law.</p> <p>The Respondent is, hereby, directed to deposit the aforesaid amount of penalty in the designated bank account maintained in the name of the Commission with MCB Bank Limited within thirty (30) days from the date of this Order and to furnish a receipted bank challan to the Commission forthwith. In case of failure to deposit the penalty, the proceedings under Section 485 of the Act will be initiated for recovery of the fines as arrears of land revenue.</p> <p>Nothing in this Order may be deemed to prejudice the operation of any provision of the Act providing for imposition of penalties on the Respondents of the Company in respect of any default, omission, violation of the Act.</p>
6. Penalty Imposed	10,000/-
7. Current Status of Order	No appeal was filed.