IN THE NATIONAL COMPANY LAW TRIBUNAL

KOCHI BENCH

Company Appeal (IBC)/01/KOB/2026

IN

IA(IBC)(Liq)/1/KOB/2026

IN

CP(IBC)/08/KOB/2025

(Under Section 42 of the Insolvency and Bankruptcy Code, 2016)

Date of Institution: 08.08.2026

Order delivered on: 15.10.2026

In the matter of:

M/s Peejay Agro Foods Private Limited

MEMO OF PARTIES:

The Regional Provident Fund Commissioner-II,
Employees Provident Fund Organization, Regional Office, Bhavishyanidhi Bhavan, Kaloor, Kochi-682 017

.... Appellant

-Vs-

Mr. R.Raghavendran
Liquidator of M/s Peejay Agro Foods Pvt.Ltd., Flat No.3, Dhruvatara Apartments, 241, Dr.Rajendraprasad Road, Tatabad, Coimbatore-641012.

...Respondent

Coram:

HON'BLE MEMBER (JUDICIAL) : SHRI. VINAY GOEL

HON'BLE MEMBER (TECHNICAL) : SHRI. RAVICHANDRAN RAMASAMY

Appearances:

For the Appellant : Mr Sajeev Kumar K Gopal, Advocate

For the Respondent : Mr. Vinod P V, Advocate

O R D E R

Per Coram

1. The present appeal has been filed by the Regional Provident Fund Commissioner-II, under Section 42 of the Insolvency and Bankruptcy Code, 2016, with the following prayer: -

> *a) To set aside Annexure-F order passed by the respondent Liquidator whereby the claim submitted by the appellant EPFO stands rejected.*
> *b) Direct the Liquidator to sanction and disburse the entire amount claimed through the claim petition submitted on 25-03-2026 and disburse the said amount in priority to all the other debts forthwith;*
> *c) To grant such other and further reliefs as this Hon'ble Tribunal may deem just and necessary in the facts and circumstances of the case including cost of this proceedings.*

Brief facts of the case

2. The Appellant stated that it is the Regional Provident Fund Commissioner-II, Employees' Provident Fund Organisation (EPFO), Regional Office, Kochi. The establishment, M/s Peejay Agro Foods Pvt. Ltd., was originally a partnership firm covered under the provisions of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, with effect from 01.04.2011 under Code No. KR/KCH/27995000. The said partnership firm, having Sri. Padmakumar and Sri. Joshy K.K. as its partners, was subsequently reconstituted and incorporated as a

private limited company in the name and style of M/s Peejay Agro Foods Pvt. Ltd. A communication dated 14.10.2025 was received from Sri. Padmakumar, the Managing Partner, informing the Appellant that the company had been incorporated in the year 2016, had faced frequent labour strikes from its inception, was subsequently taken over pursuant to the orders of this Adjudicating Authority, and ultimately ceased operations in the year 2020 owing to the COVID-19 pandemic. It was further informed that, notwithstanding the incorporation of the company, provident fund contributions had been remitted up to May 2018, the last remittance being an amount of Rs.1,12,813/- for the month of May 2018.

3. The Appellant stated that, since there was a prolonged gap after the last remittance, an inspection of the establishment was ordered by the EPFO. It is further stated that any provident fund dues payable by the establishment are required to be determined through assessment proceedings under Section 7A of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, followed by consequential proceedings under Sections 14B and 7Q of the Act, which require considerable time for completion. In the meanwhile, the Liquidator appointed by this Adjudicating Authority issued an e-mail dated 05.03.2026 inviting submission of claims. Pursuant thereto, the Appellant, through the Regional Provident Fund Commissioner-II, District Office, Thrissur, submitted its claim before the Liquidator on 12.03.2026 claiming an amount of Rs.97,55,998/-.

4. The Appellant further stated that the claim preferred before the Liquidator was considered and rejected by the communication dated 17.03.2026 issued by the Respondent. In the said communication, the Respondent observed that the Liquidator was not in a position to verify the Appellant's contention that the Corporate Debtor was the reconstituted private limited company of the erstwhile

partnership firm and, therefore, the liabilities of the partnership firm could not be treated as the liabilities of the Corporate Debtor under liquidation. It was further observed that the claim was based on estimated provident fund contribution dues and provisional calculation of damages and interest, and not on the basis of any assessment order or other statutory proceedings. The Respondent accordingly called upon the Appellant to produce supporting documents establishing that the liabilities of the partnership firm had devolved upon the Corporate Debtor and that the claim had been determined and was subsisting as on the liquidation commencement date, namely 25.02.2026, for reconsideration of the claim.

5. The Appellant further stated that the representation dated 25.03.2026, together with the supporting documents, was considered by the Respondent and rejected by order dated 21.05.2026. The Appellant is aggrieved by the said order as the Liquidator failed to consider the documentary evidence produced by the Appellant establishing that the erstwhile partnership firm had been reconstituted as the Corporate Debtor. The documents furnished, including the representation of the Managing Partner, the Annual Report and Balance Sheet of the Corporate Debtor, and the communication of the Managing Director, clearly demonstrate that the employees of the partnership firm continued under the Corporate Debtor, provident fund contributions were remitted under the same EPF Code up to the year 2018, and the same business and brand name were continued. Despite the production of these documents, the Liquidator erroneously declined to treat the liabilities of the partnership firm as those of the Corporate Debtor and rejected the Appellant's claim.

6. The Appellant further stated that the provident fund dues claimed are excluded from the liquidation estate by virtue of Section 36(4)(a)(iii) of the Insolvency and Bankruptcy Code, 2016 and, therefore, the Respondent was under a statutory

obligation to admit and disburse the said dues. The rejection of the claim on the ground that no assessment order under Section 7A of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 had been passed is contrary to the provisions of the EPF Act as well as the settled position of law that provident fund dues arise by operation of law and do not form part of the waterfall mechanism under Section 53 of the IBC. The Appellant stated that the Hon'ble Supreme Court, the Hon'ble NCLAT and various Benches of the NCLT have consistently held that provident fund dues, including interest and damages, are statutory priority dues and are required to be paid in full in accordance with Section 11 of the EPF Act and 36(4)(a)(iii) of the IBC. The impugned order rejecting the Appellant's claim for Rs.59,69,744/- is therefore unsustainable in law, and the Appellant has preferred the present appeal under Section 42 of the Insolvency and Bankruptcy Code, 2016 seeking appropriate reliefs.

7. The Respondent filed its reply on 30.06.2026 and stated that the present appeal filed under Section 42 of the Insolvency and Bankruptcy Code, 2016 challenging the rejection of the Appellant's claim is not maintainable either in law or on facts and is liable to be dismissed.

8. The Respondent stated that the Corporate Debtor, M/s. Peejay Agro Foods Pvt. Ltd., was admitted into Corporate Insolvency Resolution Process vide order dated 28.05.2025 in CP (IBC)/8/KOB/2025, and the Respondent was appointed as the Interim Resolution Professional. A public announcement inviting claims was issued on 30.05.2025. As no resolution plan was received, this Adjudicating Authority ordered liquidation of the Corporate Debtor on 25.02.2026 and appointed the Respondent as the Liquidator. A fresh public announcement inviting claims was issued on 28.02.2026. The Respondent admitted the claims of eligible creditors received during the liquidation process, whereas no claim was

received either from the EPFO during the CIRP or from any employee or workman of the Corporate Debtor during the CIRP or liquidation.

9. The Respondent stated that the Appellant submitted a claim on 12.03.2026 for Rs.97,55,998/- based on an estimated provident fund liability. The Appellant itself admitted that the contribution dues had not been determined through proceedings under Sections 7A, 14B and 7Q of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 and that the claim was computed on a notional basis using the last remittance made in May 2018. Upon scrutiny, the Respondent informed the Appellant by communication dated 17.03.2026 that the Corporate Debtor was not a company converted from the partnership firm under the Companies Act and called upon the Appellant to produce documentary evidence establishing that the liabilities of the partnership firm had devolved upon the Corporate Debtor. The Respondent also pointed out that the claim was based on estimated contributions without identification of the actual employees and that no claims had been received from any workman or employee.

10. The Respondent further stated that, although the Appellant subsequently produced certain documents, including extracts from the Annual Report and communications from the Managing Director, the said documents did not constitute legal proof that the liabilities of the partnership firm had vested in the Corporate Debtor. The records available with the Registrar of Companies showed that the Corporate Debtor was incorporated as a separate legal entity by fresh investment and not by conversion of the partnership firm under the applicable provisions of the Companies Act. The continuation of the same employees, trade name or EPF Code did not, by itself, establish transfer of liabilities. Consequently, the claim was rejected by order dated 21.05.2026.

11. The Respondent stated that the rejection of the Appellant's claim was justified as the claim was founded entirely on provisional and notional calculations made after the commencement of the CIRP and liquidation, without any final determination under Sections 7A, 14B or 7Q of the EPF Act. In terms of Regulation 16(2) of the IBBI (Liquidation Process) Regulations, 2016, only claims existing and crystallised as on the liquidation commencement date are admissible. The Appellant remained inactive from 2018 till commencement of the CIRP and failed to initiate statutory proceedings or quantify the alleged dues prior to the commencement of liquidation.

12. The Respondent further stated that the Liquidator duly considered all documents and submissions furnished by the Appellant before passing the impugned order after obtaining legal opinion. The absence of claims from employees or workmen, the lack of legally admissible evidence establishing transfer of liabilities from the partnership firm to the Corporate Debtor, and the absence of any pre-existing statutory determination of dues rendered the Appellant's claim inadmissible. The allegation that the principles of natural justice were violated was therefore denied.

13. The Respondent stated that the settled legal position is that assessment proceedings initiated or completed after the commencement of the CIRP or liquidation cannot form the basis of an admissible claim in insolvency proceedings.

14. The reliance was placed by the Respondents on the judgments of the Hon'ble NCLAT in Employees' Provident Fund Organisation v. Chandra Prakash Jain (Liquidator), Pankaj Shah v. EPFO, Employees' Provident Fund Organisation v. Rachna Jhunjhunwala, EPFO v. Girish Sriram Juneja, RPFC v. Alok Kailash Saksena (Liquidator of Gujarat Foils Ltd.), EPFO Regional Office v. Jaykumar Pesumal

Arlani, and the decisions of the Hon'ble NCLT, Kochi Bench in Regional Provident Fund Commissioner-II v. Attukal Devi Institute of Medical Sciences Ltd., RPFC v. Mahalingam Suresh Kumar (Raihan Healthcare) and other decisions, wherein it has been consistently held that only crystallised claims existing on the insolvency or liquidation commencement date are admissible and that post-moratorium assessments are unenforceable in insolvency proceedings.

15. The Respondent further stated that the priority available to provident fund dues under Section 36(4)(a)(iii) of the Insolvency and Bankruptcy Code applies only to legally admissible and crystallised claims existing as on the liquidation commencement date and does not validate provisional or post-liquidation assessments. It was further contended that damages under Section 14B and interest under Section 7Q, being amounts payable to the EPFO and not directly to employees, cannot automatically be treated as amounts excluded from the liquidation estate. The Respondent therefore submitted that the impugned order rejecting the Appellant's claim is legal, valid and in conformity with the Insolvency and Bankruptcy Code, the Liquidation Regulations and the settled judicial precedents, and accordingly prayed that the appeal be dismissed with costs.

16. The Appellant filed their rejoinder and the Respondent's defence proceeds on the erroneous premise that only liabilities adjudicated or crystallised under Sections 7A, 14B or 7Q of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 constitute a valid "claim" under the Insolvency and Bankruptcy Code, 2016. It was contended that Section 3(6) of the IBC defines "claim" in the widest possible terms as a right to payment, whether or not reduced to judgment, fixed, disputed, contingent or matured, and therefore does not require prior adjudication or quantification before commencement of CIRP or liquidation. The Appellant further submitted that provident fund liability arises

by operation of law upon the employer's default and that the dues in the present case, relating to the period from June 2018 to March 2021, had accrued prior to the commencement of CIRP and liquidation. It was further stated that the revised claim dated 25.03.2026 was based on actual UAN-wise wage particulars furnished by the Corporate Debtor and not on hypothetical calculations, and therefore could not be rejected as provisional or notional. Reliance was also placed on *Jitendra Kumar Jain v. EPFO,* wherein the Hon'ble NCLAT held that the Resolution Professional cannot reject provident fund claims merely because proceedings under Section 7A had not attained finality, and that the Resolution Professional is under an obligation to ascertain such liability from the records of the Corporate Debtor.

17. The Appellant further stated that the Respondent failed to appreciate the documentary materials, including the Annual Report, balance sheet entries, employee-wise and UAN-wise wage particulars and other records establishing that the partnership business had been taken over by the Corporate Debtor as a going concern along with its assets and liabilities, while the same EPF establishment code continued to be used. It was contended that the absence of claims by individual employees or the non-completion of proceedings under Sections 7A, 14B and 7Q does not extinguish the statutory liability, and that the Liquidator ought to have verified and admitted the claim based on the available records instead of rejecting it.

18. The Appellant further stated that the judgments relied upon by the Respondent, including *EPFO v. Chandra Prakash Jain (Mekastar Engineering Ltd.), Pankaj Shah v. EPFO, EPFO v. Rachna Jhunjhunwala, RPFC v. Gujarat Foils Ltd., and RPFC v. Mahalingam Suresh Kumar (Raihan Healthcare Pvt. Ltd.),* are distinguishable as they concern liabilities created or enhanced through post-CIRP or post-

liquidation assessments, whereas the present claim pertains to statutory provident fund dues that had accrued prior to the commencement of CIRP and liquidation. Reliance was also placed on *Jet Airways (India) Ltd., V-Con Integrated Solutions Pvt. Ltd. v. Acharya Techno Solutions (India) Pvt. Ltd., Maharashtra State Cooperative Bank Ltd. v. Assistant Provident Fund Commissioner, Employees' Provident Fund Commissioner v. Official Liquidator of Esskay Pharmaceuticals Ltd., and Sunil Kumar Jain v. Sundaresh Bhatt* to contend that provident fund dues are protected statutory dues enjoying priority under the IBC and the EPF Act and cannot be defeated merely because their quantification was completed after the commencement of insolvency proceedings. The Appellant therefore prayed that the rejection of its claim be set aside and the appeal be allowed.

Analysis and Findings: -

19. We have heard both sides and also gone through the records, and to arrive at the right conclusion, it would be appropriate to have a look at the relevant facts, dates and events of the present case.

20. In an application filed under Section 7 of the IBC, this Adjudicating Authority, vide Order dated 28.05.2025 in CP(IBC)/08/KOB/2025, initiated the CIRP against the Corporate Debtor, M/s Peejay Agro Foods Private Limited, and appointed Mr. R. Raghavendran as the Interim Resolution Professional (IRP).

21. The said IRP made a public announcement inviting claims on 30.05.2025, and the Appellant failed to file any claim in respect of such invitation. Since no resolution plan was received for the Corporate Debtor, this Adjudicating Authority, vide Order dated 25.02.2026, passed liquidation in IA(IBC)(Liq)/1/KOB/2026 and appointed R Raghavendran as Liquidator.

22. The Liquidator made a public announcement on 28.02.2026 inviting claims from the creditors and other stakeholders. Pursuant thereto, claims were received from State Bank of India, Avittam Appalam and Chips, Sree Ramkrishna Industrials, the Secretary, Guruvayur Municipality, the Income Tax Department and ESIC. The details of the claims submitted and admitted are as under:

Name of Creditor		Amount Claim submitted	Claim Admitted	Voting
State Bank of India	Form D	271546824.08	271546824.08	86.87%
Avittam Appalam and Chips	Form C	32,21,519.70	3221519.70	1.03%
Sree Ramkrishna Industrials	Form C	2,49,445.00	2,49,445.00	0.08%
The Secretary Guruvayur Municipality	CIRP Claim	3,76,394	3,76,394	0.12%
Income Tax	Form C	3,68,52,953	3,68,52,953	11.78%
ESIC	Form C	4,24,271	3,61,978	0.12%

23. The Appellant herein failed to file a claim in response to the said invitation. The Appellant, on 12.03.2026, filed its claim for Rs.97,55,998/- and made the submission that M/s. Peejay was originally a partnership firm and was reconstituted as a Private Limited Company with effect from 17.04.2013. It further stated that the Appellant received remittances till May 2018 and that thereafter the establishment continued operations till 2020 and was subsequently closed due to the COVID-19 pandemic. The Appellant further stated that, since a long gap had occurred after the last remittance, any contribution dues payable, if any, were required to be determined through assessment proceedings under Section 7A, followed by proceedings under Section 14B (damages) and Section 7Q (interest) of the EPF Act.

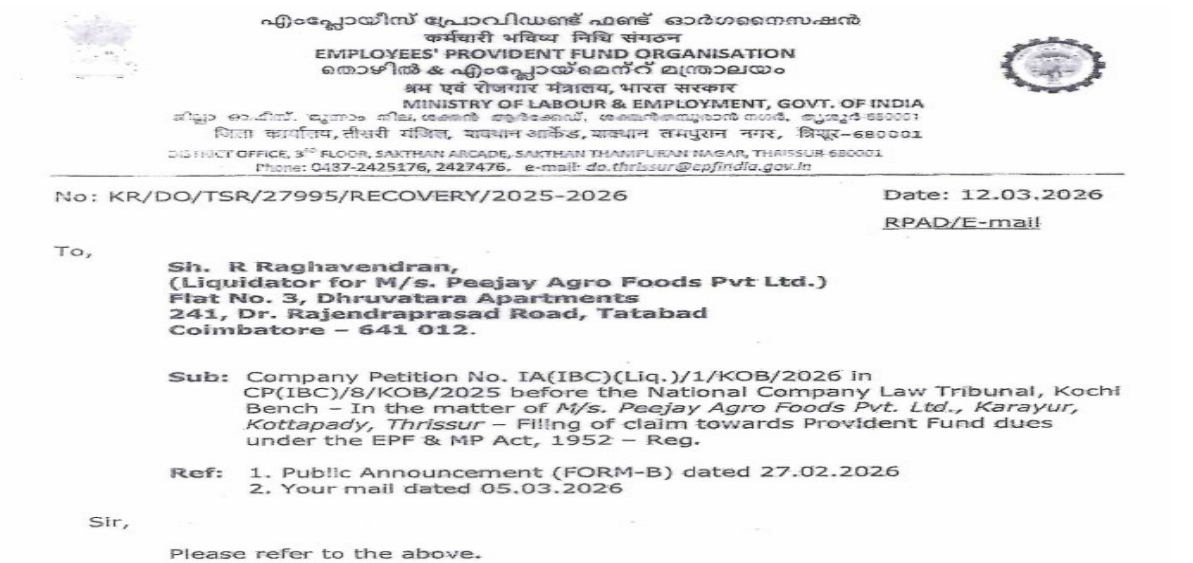
24. The Appellant stated that the notional contribution dues had been provisionally calculated on the basis of the last remittance received for May 2018, for the period from June 2018 to December 2020. The estimated contribution dues amounted to Rs.34,97,203/-. Further, assuming the notional date of remittance as 31.03.2026, an amount of Rs.34,97,203/- towards damages and Rs.27,11,889/- towards interest was calculated for the said period. Additionally, an amount of Rs.30,021/- towards damages and Rs.19,682/- towards interest for the period from January 2016 to May 2018 was claimed. Thus, the Appellant filed a claim amounting to Rs.97,55,998/-. Thereafter, the Appellant filed a revised claim of Rs.59,46,120/-.

25. After considering the rival submissions on both sides, we are of the opinion that the claim as filed by the Appellant had been rightly rejected by the Liquidator and we do not want to interfere with the said decision for the following reasons: -

    1. No claim is admissible if it is based on assumptions, whims, or personal biases of any person.

    2. Only crystallized liabilities can be entertained.

26. The letter dated 12.03.2016 sent by the Appellant to the Liquidator is reproduced as under:-



എംപ്ലോയീസ് പ്രൊവിഡന്റ് ഫണ്ട് ഓർഗനൈസേഷൻ
कर्मचारी भविष्य निधि संगठन
EMPLOYEES' PROVIDENT FUND ORGANISATION
തൊഴിൽ & എംപ്ലോയ്മെന്റ് മന്ത്രാലയം
श्रम एवं रोजगार मंत्रालय, भारत सरकार
MINISTRY OF LABOUR & EMPLOYMENT, GOVT. OF INDIA
ജില്ലാ ഓഫീസ്, മൂന്നാം നില, ശക്തൻ ആർക്കേഡ്, ശക्तनതമ്പുരാൻ നഗർ, തൃശൂർ-680001
जिला कार्यालय, तीसरी मंजिल, शक्थान आर्केड, शक्थान तमपुरान नगर, तिरूर-680001
DISTRICT OFFICE, 3RD FLOOR, SAKTHAN ARCADE, SAKTHAN THAMPURAN NAGAR, THRISSUR 680001
Phone: 0487-2425176, 2427476. e-mail: do.thrissur@epfindia.gov.in

No: KR/DO/TSR/27995/RECOVERY/2025-2026 Date: 12.03.2026

RPAD/E-mail

To,

Sh. R Raghavendran,
(Liquidator for M/s. Peejay Agro Foods Pvt Ltd.)
Flat No. 3, Dhruvatara Apartments
241, Dr. Rajendraprasad Road, Tatabad
Coimbatore – 641 012.

Sub: Company Petition No. IA(IBC)(Liq.)/1/KOB/2026 in CP(IBC)/8/KOB/2025 before the National Company Law Tribunal, Kochi Bench – In the matter of *M/s. Peejay Agro Foods Pvt. Ltd., Karayur, Kottapady, Thrissur* – Filing of claim towards Provident Fund dues under the EPF & MP Act, 1952 – Reg.

Ref: 1. Public Announcement (FORM-B) dated 27.02.2026
2. Your mail dated 05.03.2026

Sir,

Please refer to the above.

It is informed that the establishment M/s. Peejay Agro Foods, originally a partnership firm covered under the Employees' Provident FundS & Miscellaneous Provisions Act, 1952, with effect from 01.04.2011, was subsequently re-constituted as a private limited company with effect from 17.04.2013.

2. On receipt of your email dated 05.03.2026, the files and remittance data relating to the establishment were verified. It is observed that the establishment had remitted Provident Fund contributions up to May 2018. The last remittance received was for the month of May 2018 for an amount of Rs.1,12,813/-.

3. One of the Directors of the establishment has informed this office that the establishment continued operations until the year 2020, and was subsequently closed due to the COVID-19 pandemic.

4. Since a long gap has occurred after the last remittance, an inspection has been ordered. Further, any contribution dues payable, if any, are required to be determined through assessment proceedings under Section 7A, followed by proceedings under Section 14B (Damages) and Section 7Q (Interest) of the EPF Act. These processes require considerable time for completion.

5. However, considering the first charge and priority of EPF dues under Section 11(2) of the EPF Act, and the requirement that such dues are to be settled prior to the formation of the liquidation estate as per Section 36(4)(iii) of the Insolvency and Bankruptcy Code, the notional contribution dues have been provisionally calculated based on the last remittance received for May 2018, for the period June 2018 to December 2020. The estimated contribution dues amount to Rs.34,97,203/-.

6. Further, assuming the notional date of remittance as 31.03.2026, the following amounts have been calculated:

- Damages under Section 14B: Rs.34,97,203/-
- Interest under Section 7Q: Rs.27,11,889/-
  (for the period from June 2018 to December 2020)

7. Additionally, based on belated remittances already received, an amount of Rs.30,021/- towards damages under Section 14B and Rs.19,682/- towards interest under Section 7Q remains outstanding for the period January 2016 to May 2018.

8. Based on the above facts, and subject to final determination through appropriate proceedings under Sections 7A, 14B, and 7Q of the EPF Act, a claim amounting to Rs.97,55,998/- (Rupees Ninety Seven Lakhs Fifty Five Thousand Nine Hundred Ninety Eighty only) has been prepared and is enclosed herewith.

9. It may kindly be noted that no prescribed format is available under the IBC for submission of priority claims under Section 36. Further, as per the order dated 18.02.2021 of the Hon'ble NCLT, Kochi Bench in the matter of V-Con Integrated Solutions Pvt. Ltd., simple intimation or awareness of the debt by the Liquidator is sufficient for admission of EPF dues.

10. It is further submitted that the issue of priority of Provident Fund dues has been settled by various judicial pronouncements.

- In Jet Aircraft Maintenance Engineers Welfare Association v. Ashish Chhawchharia, the Hon'ble National Company Law Appellate Tribunal held that Provident Fund, Pension Fund and Gratuity Fund dues are excluded from the liquidation estate under Section 36(4)(iii) of the Insolvency and Bankruptcy Code and cannot be distributed among other creditors.

- Further, in Regional Provident Fund Commissioner v. Vandana Garg, the Hon'ble NCLAT held that the Liquidator cannot include Provident Fund dues in the liquidation estate and such dues are required to be paid in priority in accordance with the provisions of the EPF Act.

- The Hon'ble Supreme Court of India in Maharashtra State Cooperative Bank Ltd. v. Assistant Provident Fund Commissioner has also categorically held that Section 11(2) of the EPF & MP Act creates a statutory first charge over the assets of the establishment for recovery of provident fund dues and such charge would prevail over other debts.

- Further, the Hon'ble Supreme Court in State Tax Officer v. Rainbow Papers Limited reaffirmed that statutory dues having first charge under a specific statute must be recognized in insolvency proceedings.

11. In view of the above settled legal position, Provident Fund dues enjoy statutory priority and are required to be excluded from the liquidation estate and paid in full.

12. In view of the above, it is requested that the claim of this office may kindly be admitted in full and liquidated accordingly.

Yours faithfully,

(M S Suresh)
Regional Provident Fund Commissioner
District Office, Thrissur

Encl : Claim along-with Annexures

27. The content of the said letter is self-evident, as till that date there were no proceedings or Orders ever passed by the competent authority under the EPF Act against the Corporate Debtor under Sections 7A, 14B and 7Q of the EPF Act. In the absence of any such assessment or final orders, the claim against the Corporate Debtor was not admissible.

28. At this stage, this Adjudicating Authority would like to refer to the order of Hon'ble NCLAT in ***Employees' Provident Fund Organisation (EPFO) v. Rachna***

Jhunjhunwala and Anr., ***(2026) ibclaw.in 69 NCLAT*** wherein it is held that interest under Section 7Q and damages under Section 14B of the EPF Act, which were not adjudicated and crystallised before commencement of CIRP, could not be treated as crystallised dues payable under the approved resolution plan.

29. In the present case, the claim of the Appellant under Sections 7A, 7Q and 14B of the EPF Act was neither assessed nor adjudicated by the competent authority before the commencement of CIRP or liquidation. The claim was based merely on notional calculations and assumptions, without any determination or crystallisation of liability. Hence, the same cannot be treated as a crystallised liability and was rightly rejected by the Liquidator.

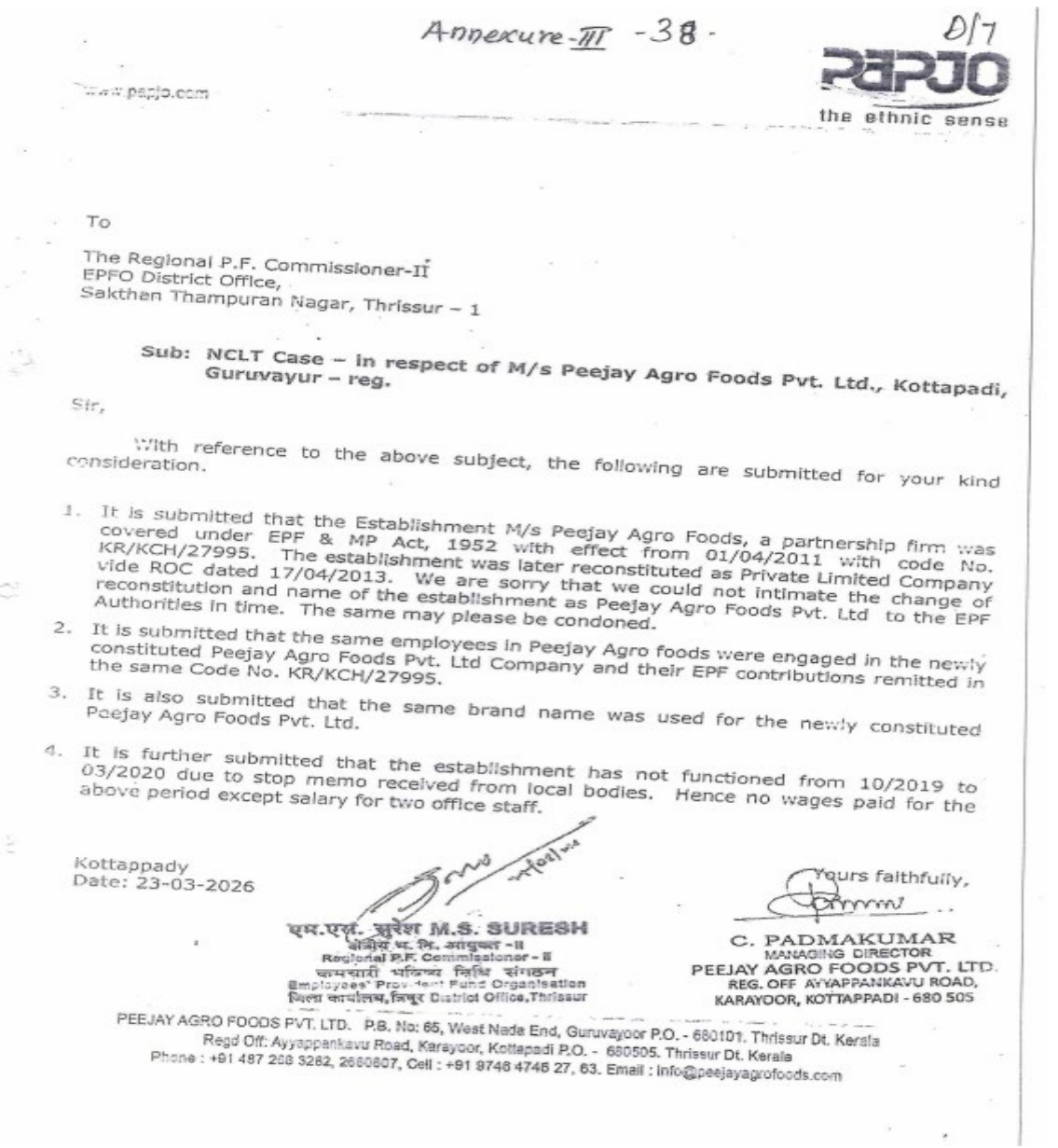
30. Secondly, it is the case of the Appellant that M/s Peejay Agro Foods Private Limited was a partnership concern and subsequently the same was taken over by a private limited company i.e., the Corporate Debtor. So, the Corporate Debtor is legally liable for the alleged liability of the EPF Department. The arguments so advanced and the basis to file a claim by the Appellant Department before the Liquidator is required to be seen in the light of factual aspects.

31. It is the basic contention of the Appellant Department that the partnership concern, which was registered with it and assessed under the EPF Department under Code No. KR/KCH/27995000, was later converted into a Private Limited Company. As such, the Corporate Debtor has become liable for the same.

32. Simultaneously, it is the case of the department that the last remittance of its dues by the establishment was in May 2018, where the Corporate Debtor was incorporated with a separate CIN with the Registrar of Companies under the Companies Act on 17.04.2013. So, the basic stand taken by the Appellant that the said partnership concern changed its status into a private limited company appears to be not correct. There is no evidence that after 2013 there was any acquisition or merger of the partnership concern into a private Limited Company.

If there was any such merger or acquisition by the Private Limited Company, why did the appellant department allow the establishment to continue with its registration in its previous status as a partnership concern? Further, as per the provisions of the EPF Act, they have every right to inspect the establishments periodically, and they have every right to call for any records or registers of inspection by the department.

33. The Appellant department has failed to place on record any material that the department ever conducted any inspection in the premises of the establishment and pointed out such irregularities and illegalities for using the wrong registration number for filing remittance required under the EPF Act,1952
34. Further, the letter dated 23.03.2026 written by the suspended management of the Corporate Debtor shows that C. Padmakumar was representing himself as the Managing Director of the Corporate Debtor even after initiation of the CIRP process, though the management of the Corporate Debtor stood suspended and they had no right to represent the Corporate Debtor before any authority or any department in any manner.
35. Therefore, the reliance of the Appellant on the letter written by the suspended management is of no consequence and is liable to be ignored, as it would not place the Appellant in any advantageous position.
36. The letter so written by the suspended management of the Corporate Debtor is reproduced as under: -



Annexure-III -38- 8/7

www.peejo.com

PEEJO
the ethnic sense

To

The Regional P.F. Commissioner-II
EPFO District Office,
Sakthan Thampuran Nagar, Thrissur – 1

Sub: NCLT Case – In respect of M/s Peejay Agro Foods Pvt. Ltd., Kottapadi, Guruvayur – reg.

Sir,

With reference to the above subject, the following are submitted for your kind consideration.

1. It is submitted that the Establishment M/s Peejay Agro Foods, a partnership firm was covered under EPF & MP Act, 1952 with effect from 01/04/2011 with code No. KR/KCH/27995. The establishment was later reconstituted as Private Limited Company vide ROC dated 17/04/2013. We are sorry that we could not intimate the change of reconstitution and name of the establishment as Peejay Agro Foods Pvt. Ltd to the EPF Authorities in time. The same may please be condoned.
2. It is submitted that the same employees in Peejay Agro foods were engaged in the newly constituted Peejay Agro Foods Pvt. Ltd Company and their EPF contributions remitted in the same Code No. KR/KCH/27995.
3. It is also submitted that the same brand name was used for the newly constituted Peejay Agro Foods Pvt. Ltd.
4. It is further submitted that the establishment has not functioned from 10/2019 to 03/2020 due to stop memo received from local bodies. Hence no wages paid for the above period except salary for two office staff.

Kottappady
Date: 23-03-2026

Yours faithfully,

एम.एस. सुरेश M.S. SURESH
क्षेत्रीय भ. नि. आयुक्त - II
Regional P.F. Commissioner - II
कर्मचारी भविष्य निधि संगठन
Employees' Provident Fund Organisation
जिला कार्यालय, त्रिशूर District Office, Thrissur

C. PADMAKUMAR
MANAGING DIRECTOR
PEEJAY AGRO FOODS PVT. LTD.
REG. OFF AYYAPPANKAVU ROAD,
KARAYOOR, KOTTAPPADI - 680 505

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37. Even the content of the letter is not matching with the earlier letter dated 14.10.2025 sent by the same person wherein he had represented himself as the managing partner and, as such, it can be observed that the partners of the actual assessee of the EPF Department have taken inconsistent stands with regard to the constitution of the Corporate Debtor, with a view to legally come out of their liability and to put their liabilities on the shoulders of the Corporate Debtor or Liquidation Estate. The Department, having its own fleet of legal officers, was not

supposed to act blindly upon such communication without verifying the relevant records. The reliance on such letters by the Appellant Department is, therefore, technically not sustainable and the same is liable to be ignored.

38. In this regard, it is relevant to refer to the decision of Hon'ble NCLAT in ***Regional P.F. Commissioner Employees Provident Fund Organisation v. Vipul Garg (Liquidator) and Ors., (2026) ibclaw.in 578 NCLAT*** wherein it is observed that the provident fund liability pertaining to a separate entity was not attributable to the Corporate Debtor, as the said entity was a separate and distinct legal entity having separate assets and liabilities and the relevant portion of the order is reproduced as under:

> *"50. Incidentally, we note that the Appellant has included outstanding provident fund dues from Sh. Gyaninder Sadana, M/s Laxmi Enterprises, of Rs.7,74,095 other than the Corporate Debtor indicating that the liability is not exclusively attributable to the Corporate Debtor, and belong to M/s Laxmi which is a separate and distinct entity and cannot be equated to the Corporate Debtor, i.e., M/s Jai Laxmi Lighting Industries Pvt. Ltd. Both entities are separate legal persons having distinct assets and liabilities."*

39. Similarly, in the present case, in the absence of any material establishing that the partnership concern was taken over, acquired, merged with or otherwise transferred to the Corporate Debtor, the EPF liabilities pertaining to the said partnership concern cannot be fastened upon the Corporate Debtor. Therefore, we don't find any valid reason to intervene in the decision taken by the Respondent on the claim of the Appellant.

40. In the light of the foregoing discussion, the present Appeal, **Company Appeal (IBC)/01/KOB/2026**, is **dismissed** and disposed of accordingly.

41. The Registry is directed to send e-mail copies of this order forthwith to all the parties and their Learned Counsels for information and for taking necessary steps.

42. Let the certified copy of this order be issued upon compliance with the requisite formalities.

43. File be consigned to records.

Sd /-	**Sd /-**
RAVICHANDRAN RAMASAMY	**VINAY GOEL**
(MEMBER TECHNICAL)	**(MEMBER JUDICIAL)**

Signed on this the 15th day of October, 2026.

At*Steno R