

**IN THE SUPREME COURT OF INDIA
CIVIL APPELLATE JURISDICTION**

CIVIL APPEAL NO.6928 OF 2002

REGIONAL PROVIDENT FUND COMMNR. & ORS.APPELLANT(S)

VERSUS

ABS SPINNING ORISSA LTD. & ANR.RESPONDENT(S)

O R D E R

This appeal is directed against the judgment and final order dated 9th October, 2001 passed by the High Court of Orissa at Cuttack in OJC No.2851/2001 allowing the Writ Petition partly on the ground that the holding company cannot be held liable for the recovery of provident fund dues of its subsidiary company. Admittedly, there is nothing on record to show that the respondent No.2 being holding company of respondent No.1 is liable to pay the provident funds dues outstanding against its subsidiary company i.e. respondent No.1. However, Mr.B.B.Singh, learned counsel appearing on behalf of the appellant submits that respondent No.2 being holding company of respondent No.1 is liable to pay the provident funds dues outstanding against its subsidiary company i.e. respondent No.1. We are not in agreement with the same as we are of the view that the subsidiary company has an independent existence as against the holding company and, therefore, the respondent No.2 is not liable to clear the provident funds dues of its subsidiary company, namely, the respondent No.1. The appeal is accordingly dismissed. There will be no order as to costs.

However, it will be open for the appellants to proceed against respondent No.1 in accordance with law.

.....J.
(TARUN CHATTERJEE)

.....J.
(AFTAB ALAM)

NEW DELHI;
OCTOBER 1, 2008.