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The Code on Social Security, 2020

Section 131 - Other modes of recovery

(1) Notwithstanding the issue of a certificate to the Recovery Officerunder section 129, the Central Provident Fund Commissioner or the Director General of the Corporation,as the case may be, or any other officer of such Social Security Organisation so authorised by it in thisbehalf, may, recover the amount by any one or more of the modes provided in this section.
(2) If any amount is due from any person to any employer who is in arrears, the Central Provident FundCommissioner or the Director General of the Corporation, as the case may be, or any other officer of suchSocial Security Organisation authorised by it in this behalf, may, require such person to deduct from thesaid amount the arrears so due, and such person shall comply with any such requisition and shall pay thesum so deducted to the credit of the Central Provident Fund Commissioner or the Director General of theCorporation, as the case may be, or any other officer of such Social Security Organisation so authorised byit in this behalf:
Provided that nothing in this sub-section shall apply to any part of the amount exempt from attachmentin execution of a decree of a civil court under section 60 of the Code of Civil Procedure, 1908 (5 of 1908).
(3) (a) The Central Provident Fund Commissioner or the Director General of the Corporation, as thecase may be, or any other officer of such Social Security Organisation authorised by it in this behalf may,at any time or from time to time, by notice in writing, require any person from whom money is due or maybecome due to the employer or, as the case may be, the establishment or any person who holds or maysubsequently hold money for or on account of the employer or, as the case may be, the establishment, topay to the Central Provident Fund Commissioner or the Director General of the Corporation, as the casemay be, or any other officer authorised by it in this behalf either forthwith upon the money becoming dueor being held at or within the time specified in the notice (not being before the money becomes due or isheld) so much of the money as is sufficient to pay the amount due from the employer in respect of arrearsor the whole of the money when it is equal to or less than that amount.
(b) A notice under this sub-section may be issued to any person who holds or may subsequently holdany money for or on account of the employer jointly with any other person and for the purposes of this subsection, the shares of the joint holders in such account shall be presumed, until the contrary is proved, to beequal.
(c) A copy of the notice shall be forwarded to the employer at his last address known to the CentralProvident Fund Commissioner or the Director General of the Corporation, as the case may be, or any otherofficer of such Social Security Organisation authorised by it in this behalf and in the case of a joint accountto all the joint holders at their last addresses so known.
(d) Save as otherwise provided in this sub-section, every person to whom a notice is issued under thissub-section shall be bound to comply with such notice, and, in particular, where any such notice is issuedto a post office, bank or an insurer, it shall not be necessary for any pass book, deposit receipt, policy orany other document to be produced for the purpose of any entry, endorsement or the like being made beforepayment is made notwithstanding any rule, practice or requirement to the contrary.
(e) Any claim respecting any property in relation to which a notice under this sub-section has beenissued arising after the date of the notice shall be void as against any demand contained in the notice.
(f) Where a person to whom a notice under this sub-section is sent objects to it by statement on oaththat the sum demanded or any part thereof is not due to the employer or that he does not hold any moneyfor or on account of the employer, then, nothing contained in this sub-section shall be deemed to requiresuch person to pay any such sum or part thereof, as the case may be, but if it is discovered that suchstatement was false in any material particular, such person shall be personally liable to the Central ProvidentFund Commissioner or the Director General of the Corporation, as the case may be, or any other officer ofsuch Social Security Organisation authorised by it in this behalf, to the extent of his own liability to theemployer on the date of the

notice, or to the extent of the employer's liability for any sum due under thisCode, whichever is less.
(g) The Central Provident Fund Commissioner or the Director General of the Corporation, as the casemay be, or any other officer of such Social Security Organisation authorised by it in this behalf, may, atany time or from time to time, amend or revoke any notice issued under this sub-section or extend the timefor making any payment in pursuance of such notice.
(h) The Central Provident Fund Commissioner or the Director General of the Corporation, as the casemay be, or any other officer of such Social Security Organisation authorised by it in this behalf, shall granta receipt for any amount paid in compliance with a notice issued under this sub-section, and the person sopaying shall be fully discharged from his liability to the employer to the extent of the amount so paid.
(i) Any person discharging any liability to the employer after the receipt of a notice under thissub-section shall be personally liable to the Central Provident Fund Commissioner or the Director Generalof the Corporation, as the case may be, or any other officer of such Social Security Organisation authorisedby it in this behalf, to the extent of his own liability to the employer so discharged or to the extent of theemployer's liability for any sum due under this Code, whichever is less.
(j) If the person to whom a notice under this sub-section is sent fails to make payment in pursuancethereof to the Central Provident Fund Commissioner or the Director General of the Corporation, as the casemay be, or any other officer of such Social Security Organisation authorised by it in this behalf, he shall bedeemed to be an employer in default in respect of the amount specified in the notice and further proceedingmay be moved against him for the realisation of the amount as if it were an arrear due from him, in themanner provided in sections 129 to 132 and the notice shall have the same effect as an attachment of amountin arrears by the Recovery Officer in exercise of his powers under section 129.
(4) The Central Provident Fund Commissioner or the Director General of the Corporation, as the casemay be, or any other officer of such Social Security Organisation authorised by it in this behalf may applyto the court in whose custody there is money belonging to the employer for payment to him of the entireamount of such money, or if it is more than the amount due, an amount sufficient to discharge the amountdue.
(5) The Central Provident Fund Commissioner or the Director General of the Corporation, as the casemay be, or any other officer of such Social Security Organisation authorised by it in this behalf, if soauthorised by the Central Government by general or special order, recover any arrears of amount due froman employer or, as the case may be, from the establishment by distraint and sale of his or its movableproperty in the manner laid down in the Third Schedule to the Income-tax Act, 1961 (43 of 1961).

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