



W.P(MD)No.5343 of 2023

WEB COPY BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

DATED: 14.07.2026

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THE HONOURABLE MR.JUSTICE M.DHANDAPANI

W.P(MD)No.5343 of 2023

and

W.M.P(MD)Nos.4997 & 4999 of 2023

The Managing Partner,
M/s. Borotik Plywood Industries,
1A-102, Ananthapadmanabapuram,
Mathavalayam,
Kanyakumari District - 629 302.

... Petitioner

Vs

1.The Assistant P.F. Commissioner,
Regional Office,
65A, Water Tank Road,
Nagercoil - 629 001,
Kanyakumari.

2.The Chief Manager,
Bank of Baroda,
Nagercoil Branch,
34-C, Balamore Road,
Nagercoil,
Kanyakumari District.

... Respondents



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PRAYER: Writ Petition filed under Article 226 of Constitution of India, to issue a Writ of Certiorari, calling for the records relating to the impugned proceedings of the first respondent proceedings in No. TN/NGL/ENF/C32/75009/7A Proceedings/2022 dated 24.08.2022 passed under Section 7A of the Employees' Provident Fund and Miscellaneous Provisions Act, 1952 (herein after referred to as Act) and impugned proceedings in No.TN/NGL/ ENF/C32/75009/2023 dated 18.01.2023 passed under Section 7 B of the Act and the consequential impugned proceedings of the first respondent in No.TN/NGL/Enf/C.32/75009/8F/2023 dated 14.02.2023 passed under Section 8 F of the Act and quash the same as illegal.

For Petitioner : Mr.M.Jerin Mathew

For Respondents : Mr.A.John Xavier (R1)

: No appearance (R2)

ORDER

This Writ Petition has been filed challenging the proceedings of the first respondent dated 24.08.2022 passed under Section 7A of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 (hereinafter referred to as "the Act"), the proceedings passed under Section



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7B of the Act, and the consequential proceedings of the first respondent dated 14.02.2023 issued under Section 8F of the Act, and seeking to quash the same as being illegal.

2.Learned counsel appearing for the petitioner submitted that, on account of the alleged non-payment of provident fund contributions under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the respondent initiated proceedings under Section 7A of the Act and, by order dated 24.08.2022, directed the petitioner to pay a sum of Rs.8,76,917/-. Aggrieved by the said order, the present Writ Petition has been filed.

3.Learned counsel for the petitioner further submitted that, pursuant to the interim order of this Court dated 13.03.2023, the petitioner has already deposited a sum of Rs.4,50,000/- with the first respondent. It is further submitted that the balance amount of Rs.4,26,917/- would be paid in two instalments within a period of two months. According to the learned



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counsel, the dues pertain to the period 2019-2020, and immediately thereafter, the COVID-19 pandemic severely affected industrial and commercial establishments. It is contended that from March 2020 till 2022, the petitioner was unable to carry on its business in the normal course due to the successive waves of the pandemic. It is further submitted that, although the dues relate to the year 2020, the order under Section 7A came to be passed only in the year 2022. Therefore, the petitioner ought not to be saddled with liability towards damages and interest. Accordingly, learned counsel prayed for appropriate directions restraining the respondents from initiating any proceedings for the recovery of damages and interest.

4.Per contra, learned counsel appearing for the first respondent vehemently contended that, owing to the petitioner's failure to remit the statutory dues, proceedings under Section 7A of the Act were initiated, culminating in an order directing payment of Rs.8,76,917/-. It is further submitted that the determination and levy of damages and interest are matters within the exclusive domain of the statutory authorities under the



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Act and that this Court, while exercising jurisdiction under Article 226 of the Constitution of India, cannot interfere with or curtail the statutory powers vested in the authorities. Accordingly, learned counsel prayed for dismissal of the Writ Petition.

5.This Court has carefully considered the rival submissions and perused the materials available on record.

6.It is not in dispute that the dues relate to the period immediately preceding the outbreak of the COVID-19 pandemic. It is also a matter of common knowledge that, from March 2020 onwards, the pandemic had a severe and prolonged impact on industrial and commercial activities across the country. The order under Section 7A came to be passed only in the year 2022. Having regard to the peculiar facts and circumstances of the case, particularly the unprecedented disruption caused by the COVID-19 pandemic, this Court is of the view that the petitioner deserves appropriate relief with regard to the levy of damages and interest.



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7. Accordingly, there shall be a direction to the petitioner to pay the balance amount of Rs.4,26,917/- in two equal instalments, commencing from the 20th day of every English calendar month. The first instalment shall be paid on or before 20.07.2026, and the second instalment shall be paid on or before 20.08.2026. In view of the extraordinary circumstances prevailing during the relevant period on account of the COVID-19 pandemic, no damages or interest shall be levied in respect of the said dues.

8. With the above directions, this Writ Petition stands disposed of. There shall be no order as to costs. Consequently, connected Miscellaneous Petitions are closed.

14.07.2026

NCC : Yes / No
Index : Yes / No
ps

Note:- Issue Order Copy on 14.07.2026.



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M.DHANDAPANI, J.

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