



W.P(MD)Nos.27464 and 24866 of 2023

WEB COPY BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

DATED : 28.07.2026

CORAM:

THE HONOURABLE MR.JUSTICE M.DHANDAPANI

W.P(MD)Nos.27464 and 24866 of 2023

and

WMP (MD) No.3070 of 2022 & 28254 of 2025

WP (MD) No. 27464 of 2023

The Regional Provident Fund

Commissioner – II

Employees Provident Fund Organisation

Regional Office, No.1

Lady Doak College Road

Chokkikulam, Madurai 625 002.

... Petitioner(s)

vs.

M/s.Anna Co-Operative Spinning Mills Ltd,

Rep. by its Managing

Director,

Andipatti,

Theni District 625 512.

... Respondent(s)

PRAYER : Writ Petition filed under Article 226 of the Constitution of India, praying this Court to issue a Writ of Certiorari, calling for the records relating to the impugned order of the Honble Central Government Industrial Tribunal - cum - Labour Court and EPF Appellate Tribunal, Chennai in EPFA. No. 133 of 2022

1/7



W.P(MD)Nos.27464 and 24866 of 2023

dated 08.05.2023 and quash the same in so far as it reducing the damages to 50 percentage.

For Petitioner : Mr. S.Anwar Sameem, Standing Counsel

For Respondent : Mr.K.Hema Karthikeyan

WP (MD) No.24866 of 2023

M/s.Anna Co-Operative Spinning Mills Ltd,
Rep. by its Managing
Director,
Andipatti,
Theni District 625 512.

... Petitioner(s)

vs.

The Regional Provident Fund
Commissioner – II
Employees Provident Fund Organisation
Regional Office, No.1
Lady Doak College Road
Chokkikulam, Madurai 625 002.

... Respondent(s)

PRAYER : Writ Petition filed under Article 226 of the Constitution of India, praying this Court to issue a Writ of Certiorari calling for the records of the order passed by the Honble Central Government Industrial Tribunal Cum Labour Court and EPF Appellate Tribunal, Chennai in EPF A.No.133/2023 dated 08.05.2023 by modifying the order of the respondent in his proceedings in No. TN/RO/MDU/20443/M-3/PDC/LD/2022 dated 19.07.2022 and quash the same.



W.P(MD)Nos.27464 and 24866 of 2023

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For Petitioner : Mr. M.Elanchezhian

For R1 : Mr. S.Anwar Sameem, Standing Counsel

COMMON ORDER

Since the issue involved in both the writ petitions is one and the same, they were heard together and are being disposed of by this common order.

2. These writ petitions have been filed challenging the order dated 27.12.2021 passed by the Appellate Tribunal. W.P.(MD) No.27464 of 2023 has been filed by the Regional Provident Fund Commissioner and W.P.(MD) No. 24866 of 2023 has been filed by the Anna Co-Operative Spinning Mills Ltd .

3. When the matter was taken up for hearing, it was brought to the notice of this Court by the learned counsel appearing for the petitioner Spinning Mill as well as the learned Standing Counsel appearing for the Employees' Provident Fund Organisation that the issue involved in the present writ petitions is squarely covered by the order of this Court dated 29.06.2026 passed in W.P. (MD) No.3500 of 2022. The relevant portion of the said order reads as follows:



W.P(MD)Nos.27464 and 24866 of 2023

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“Admittedly, the Cooperative Mill is under liquidation. The said Mill was established with the objective of providing employment opportunities to unemployed local youth, economically weaker sections and Sri Lankan repatriates, as well as supplying cotton yarn to the handloom sector at affordable prices. Cooperative Mills are not run with a profit motive, unlike private enterprises. Therefore, the benefits applicable to other establishments that operate solely for profit cannot be applied to Cooperative Mills by adopting the same yardstick. Cooperative Mills must be treated differently. The Cooperative Mill established before the Appellate Tribunal that it is under liquidation and that even a reduction of 40% in the damages would not be financially feasible for it to pay. A similar issue has already been dealt with by this Court in ***Ramanathapuram District Cooperative Spinning Mills Ltd. v. Central Board of Trustees of EPF Organisation***, in a batch of writ appeals in W.A.(MD) No.228 of 2011, by judgment dated 11.03.2014.

9. Therefore, for the aforesaid reasons, the impugned order is set aside and the damages levied under Section 14B of the Act upon the petitioner Cooperative Mill is reduced to 25% of the ordered



W.P(MD)Nos.27464 and 24866 of 2023

WEB COPY amount. Accordingly, these writ petitions stand disposed of. No costs.

Consequently, the connected miscellaneous petitions are closed.”

4. Since the issue involved in the present writ petitions is identical to the one decided by this Court in the aforesaid order, this Court is inclined to follow the same.

5. Accordingly, the impugned order dated 08.05.2023 is set aside. The damages levied under Section 14-B of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, against the petitioner Cooperative Mill are reduced to 25% of the ordered amount.

6. These writ petitions are disposed of on the above terms. There shall be no order as to costs. Consequently, the connected miscellaneous petitions are closed.

28.07.2026

NCC : Yes / No
Index : Yes / No
Internet : Yes
PKN

5/7

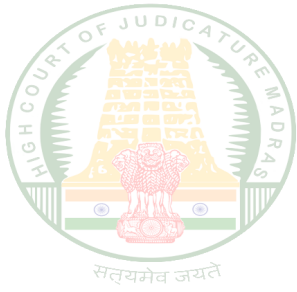


W.P(MD)Nos.27464 and 24866 of 2023

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To

The Regional Provident Fund
Commissioner II,
Employees Provident Fund Organization
Sub-Regional Office 65-A,
Water Tank Road,
Nagercoil,
Kanyakumari District.



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W.P(MD)Nos.27464 and 24866 of 2023

M.DHANDAPANI,J.

PKN

**ORDER MADE IN
W.P(MD)Nos.27464 and 24866 of 2023**

DATED : 28.07.2026