

THE HON'BLE SRI JUSTICE S.V.BHATT

WRIT PETITION No.6099 OF 2015

ORDER:

Heard Sri Challa Gunarajan, learned counsel for petitioners and Sri R.N.Reddy, learned Standing Counsel for Employees Provident Fund.

The petitioners assail prohibitory order, dated 06.02.2015, vide Ref.No.AP/HYD/32035/PD-D/T-I/2015/1026 as illegal and contrary to the provisions of the Employees Provident Fund and Miscellaneous Provisions Act, 1952.

The 2nd respondent through order Ref. No. AP/RO/HYD/32025/PD-II/T-I/2014/2271, dated 08.11.2014 determined the damages under Section 14-B and interest under Section 7-Q of the Employees Provident Fund and Miscellaneous Provisions Act, 1952 as payable by the petitioners at Rs.35,74,281/- . The petitioners have availed the remedy of appeal. Added to this effort, the petitioners contend that it is a sick industry and the issue is pending before AIFR. The petitioners expressed inability to comply with the demand raised through order dated 18.11.2014. The petitioners pray for grant of stay pending disposal of the appeal by the Tribunal.

Sri R.N.Reddy, learned Standing Counsel in the opinion of this Court rightly objects that the period for which the levy is raised is from June, 1999 to June, 2013. Those are the amount payable by the petitioners as per the scheme of Act, the petitioners are not entitled for grant of stay and the authorities can be left free for recovering the amount claimed through order dated 18.11.2014

within the four corners of law. He alternatively submits that as the issue is before AIFR, this Court considers imposing condition of 50% payment for grant of stay of order dated 18.11.2014.

Perused the material available on record and taken note of the submissions of learned counsel appearing for the parties.

The petitioner is before AIFR and that the remedy of appeal is pending before the Tribunal, the prohibitory order dated 06.02.2015 will certainly cripple the day-to-day activities and cause further hardship to the petitioners as well as respondents in the matter of PF contributions. To avoid such difficulty and keeping in view the totality of circumstances, the order dated 18.11.2014 is stayed subject to the condition of the petitioners depositing Rs.6 lakhs on or before 31.03.2015 and further a sum of Rs.5 lakhs on or before 30.04.2015 and the 2nd respondent is directed to issue orders withdrawing the prohibitory order dated 06.02.2015 forthwith.

With the above direction, the writ petition is disposed of.

Pending miscellaneous petitions in this Writ Petition, if any, shall stand closed in consequence. No order as to costs.

S.V.BHATT, J

11.03.2015

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DATE: 11.03.2015

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