



W.P.No.34197 of 2023

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 12.12.2023

CORAM

THE HONOURABLE MRS. JUSTICE **R. HEMALATHA**

W.P.Nos.34197 & 34200 of 2023

and

W.M.P.Nos.34075 & 34078 of 2023

M/s.IEL Finex Private Ltd.,
Rep. by its Director,
B.Venkatesan,

... Petitioner in both W.Ps.

Vs.

The Regional Provident Fund
Commissioner - II (Compliance),
Employees Provident Fund Organisation,
Regional Office, Steel Plant Road,
Thalavaipatti,
Salem - 636 302.

... Respondent in both W.Ps.

Common Prayer: Writ Petitions filed under Article 226 of the Constitution of India, seeking issuance of a Writ of Mandamus, permitting the petitioner company viz., M/s.IEL Finex Private Limited to pay the EPF contribution arrived by the respondent in its attachment order vide Nos.CB/RO-SLM/COMPL/SAL-I/1579082/2022, dated 03.03.2022 and CB/RO-SLM/ COMPL/SAL-I/1555082/2022, dated 16.02.2022 the sum of Rs.2,11,365/- and Rs.4,12,695/- respectively, in 6 equal instalments each.



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For Petitioners : Mr.M.Venkadesh
in both W.Ps.

For Respondent : Mr.R.Vishnu,
in both W.Ps. Standing Counsel

COMMON ORDER

Mr.R.Vishnu, learned Standing Counsel accepts notice on behalf of the respondent in both the Writ Petitions.

2. By consent of both sides, the Writ Petition is taken up for final disposal at the admission stage itself.

3. The Writ Petitioner is a private Limited Company incorporated under the Companies Act. They are engaged in the manufacture of fabrics, knitted and woven garments etc., The business activities of the petitioner's company is solely relied upon M/s.National Sewing Thread Company Limited for threads. Since the said National Sewing Thread Company Limited started facing financial stress and closed its operations since August, 2019, the petitioner company slowly stopped manufacturing fabrics. Hence, the petitioner company could not



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pay the Provident Fund dues to its employees. In this regard, the respondent initiated proceedings under Section 7A of the Employees Provident Fund and Miscellaneous Provisions Act, 1952 and conducted inquiry. Thereafter they quantified the amount payable by the petitioner company as Rs.2,11,365/- vide proceedings in CB/RO-SLM/COMPL/SAL-I/1579082/2022, dated 03.03.2022 and Rs.4,12,695/- vide proceedings in CB/RO-SLM/ COMPL/SAL-I/1555082/2022, dated 16.02.2022. Aggrieved over the same, the petitioner has filed the present Writ petitions permitting to pay the entire dues in six equal monthly installments.

4. Mr.M.Venkadeshnan, learned counsel for the petitioner/Company contended that since the petitioner's manufacturing unit is facing financial crisis, they may be permitted to remit the entire dues in five equal monthly installments.

5. Mr.R.Vishnu, learned Standing counsel appearing for the



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respondent vehemently opposed for allowing the Writ Petitions on the ground that the two Writ Petitions are filed with a similar prayer by the petitioner company and they are liable to pay the entire amount of Rs.6,24,060/-. According to him, they have not remitted the amount as per the orders passed by the respondent and absolutely there is no records to show that they are facing financial crisis.

The main contention of the Writ Petitioner is that they are mainly relying upon the National Sewing Thread Company Limited for manufacturing fabrics, knitted and Woven garments etc., and the said National Sewing Thread Company Limited is closed down its operation due to financial crisis since August 2019. Hence, they are unable to manufacture garments. However, the Writ petitioner is ready to pay the entire amount in five monthly installments.

6. Considering the averments made by the learned counsel for the Writ Petitioner, the Writ Petitioner is directed to pay sums of Rs.2,11,365/- and Rs.4,12,965/- in five equal monthly installments



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commencing from January 2024. It is made clear that if there is any failure in payment of monthly installments, the respondent is at liberty to take coercive action against the Writ Petitioner.

7. With the above observation, the Writ Petitions are disposed of. Consequently, connected miscellaneous petitions are closed. No costs.

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Index: Yes/No
Speaking/Non-Speaking order
vum

To

The Regional Provident Fund
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R. HEMALATHA, J.



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