



WEB COPY



W.P.No.23357 of 2024

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 14.08.2024

CORAM:

THE HONOURABLE MR. JUSTICE N.SENTHILKUMAR

W.P.No.23357 of 2024

and

W.M.P.No.25517 of 2024

M/s.Sargam Metals Pvt Ltd.,
No.7-A, SIPCOT Industrial Park,
Chellaperumbulimedu,
Cheyyar – 631 701.
Represented by its Managing Director,
Mr.S.Arun

...Petitioner

-Vs-

The Recovery Officer,
The Regional Provident Fund Commissioner – II,
Employees Provident Fund Organisation,
Tambaram,
Chennai – 600 045.

...Respondent

Prayer: Writ Petition filed under Article 226 of the Constitution of India, praying for the issuance of a direction in the nature of Writ of Mandamus directing the respondent to permit the petitioner to remit the sum of Rs.26,82,477/- claimed under Recovery Notice in Proceedings No.TB/TAM/RECY/513/TBTAM0007087000/CP1/202425 DATED 03.07.2024 in 24 equated monthly installments based on its representation dated 15.07.2024 and pass such further orders.



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For Petitioner : Mr.S.Haroon AR Rasheed

For Respondent : Mr.R.Thirunavakarasu,
Standing Counsel for EPFO

ORDER

Mr.R.Thirunavakarasu, learned Standing Counsel for EPFO takes notice on behalf of the respondent. With the consent of both parties, this writ petition is taken up for final disposal at the admission stage itself.

2. This writ petition is filed for issuance of a Writ of Mandamus directing the respondent to permit the petitioner to remit the sum of Rs.26,82,477/- claimed under Recovery Notice in Proceedings No. TB/TAM/RECY/513/TBTAM0007087000/CP1/202425 dated 03.07.2024 in 24 equated monthly installments based on its representation dated 15.07.2024.

3. The case of the petitioner is that the writ petitioner has a company which has been functioning from 1968. In 2008, another unit was started in Thoraipakkam. Due to the poor performance of the said company, it was not able to function properly, and a loan was obtained from Karur



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Vysya Bank Limited. However, owing to business competition and various other factors, the petitioner suffered loss from 2015. The accounts were classified as Non-Performing Accounts (NPA). The petitioner company defaulted in making payment of contribution towards the Office of the Employees Provident Fund and the respondent has passed an order under Sections 14B and 7Q of the Employees' Provident Fund and Miscellaneous Provisions Act, 1952 and directed the petitioner to pay a sum of Rs.26,82,477/-.

4. The petitioner made a request that the said amount shall be repaid by the petitioner in 13 installments.

5. Learned counsel for the respondents contends that the installments shall be made in 5 installments instead of 13 installments, considering the default of the company as well as accounts which have now become Non-Performing Accounts (NPA). The petitioner contends that, leniency may shown, so that the petitioner company will be in a position to make the payment in equal installments.

N.SENTHILKUMAR, J.

6. Therefore, the petitioner is directed to make the entire payment



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in 13 equal installments commencing from 5th of September, 2024. The respondent is at liberty to initiate the proceedings if there is any default and interest thereof.

With the above direction, **the writ petition stands disposed of.** No costs. Consequently, connected miscellaneous petition is closed.

14.08.2024

cda

Index : Yes/No

Speaking/Non-Speaking Order

To

The Recovery Officer,
The Regional Provident Fund Commissioner – II,
Employees Provident Fund Organisation,
Tambaram,
Chennai – 600 045.

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