



W.P.No.8345 of 2023

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 25.07.2025

CORAM

THE HONOURABLE Ms. JUSTICE P.T. ASHA

W.P.No.8345 of 2023

and

WMP.No.8536 of 2023

M/s. CRK Enterprises
Represented by its Prop. R. Aruldass
No.26, Chinnaamman Koil Street,
Kalavakkam, Thiruporur - 603 110

... Petitioner

Vs.

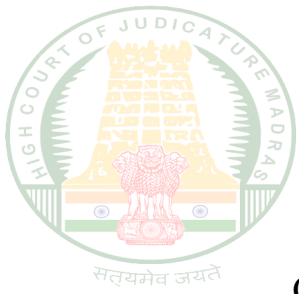
The Recovery Officer,
Employees Provident Fund Organization,
Tambaram Regional Office,
NO.3, Rajajai Salali, Chennai -45

...Respondents

Prayer:- Writ petition filed under Article 226 of the Constitution of India praying for issuance of a writ of Certiorari, to call for the records in TB/TAM/RECY/Div 525/ CP1/1407162/2021-22 dated 31.05.2022 on the file of the respondent herein and quash the same.

For Petitioner : Mr.B.Manoharan

For Respondent : M/s.Dwarakesh Prabhakaran



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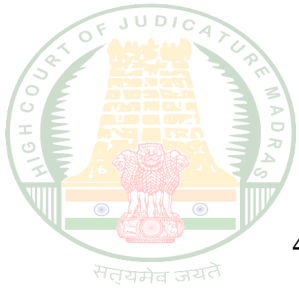
ORDER

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Challenging the demand notice dated 31.05.2022, the petitioner is before this Court.

2. It is the case of the petitioner that they started their business in the year 2015 with the intention of providing manpower to various establishments through job contracts. They had duly registered the business with all the concerned authorities. However, they were unable to secure any contracts and consequently suffered financial losses. Ultimately, they had discontinued the business activity. The petitioner would submit that due to lack of awareness and other factors they had failed to inform the concerned authorities about the closure of the business.

3. While so, the respondent had directed the petitioner to submit their bank details vide their communication dated 29.02.2016. The same was submitted in person to the respondent's office and the petitioner had also appeared in person 3 times for enquiry. The petitioner would submit that since the business had been closed, they were not maintaining any records.

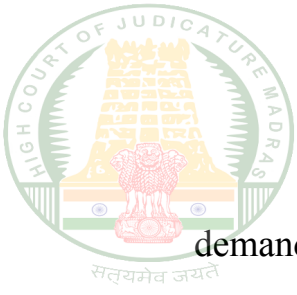


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4. On 31.05.2022, the petitioner had received a demand notice demanding a sum of Rs.22,26,841/-. Immediately thereafter, the petitioner had met with the respondent's officials and submitted his explanation. However, despite this, officials of the respondent corporation had visited the petitioner's residence to recover the aforesaid amount. The petitioner had once again approached the respondent for recalling the demand notice dated 31.05.2022. The request was rejected and the petitioner was directed to approach the court of law for suitable orders. Therefore, the petitioner has come forward with the above Writ Petition.

5. The learned counsel for the respondent would submit that the petitioner has not challenged the order passed under Section 7A of the Employees' State Insurance Act (herein after called as the "ESI Act") which was passed as early as on 06.01.2020. He would further submit that the respondent had earlier issued a recovery certificate dated 27.05.2022, which was also not challenged by the petitioner. Subsequently, on 31.05.2024, a fresh demand notice has been issued and this Writ Petition came to be filed challenging the same. He would therefore submit that not having challenged the main order and also the earlier recovery certificate, it does not lie in the mouth of the petitioner to now challenge the 2nd



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demand notice.

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6. Heard the learned counsel on either side.

7. Admittedly, the petitioner has not chosen to challenge the order passed under Section 7A of the ESI Act which had been passed as early as on 06.01.2020. Therefore, this proceedings had attained finality. It is also seen that an earlier recovery certificate has also not been challenged. Having failed to challenge the main order, the petitioner cannot seek to challenge the subsequent order which is nothing but a follow on of the earlier order.

8. In view of the above, the Writ Petition stands dismissed. No costs.

Consequently, the connected Miscellaneous Petition is closed.

25.07.2025

Index : Yes/No
Speaking Order: Yes/No
Neutral Citation : Yes/No
(shr)

To
The Recovery Officer,
Employees Provident Fund Organization,
Tambaram Regional Office, NO.3, Rajajai Salali, Chennai -45



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P.T. ASHA. J.,

(shr)

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