IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 11.03.2025

CORAM :

THE HONOURABLE MR.JUSTICE **M.DHANDAPANI**

W.P.No.8317 of 2025
and
WMP.Nos.9324 and 9329 of 2025

M/s.Taurus Corium Impex Private Limited,
Unit – III, No.6/1, Tharvazhi IInd Street,
Ambur - 635 802,
Represented by its Authorised Signatory,
Mr.Sami Das. ...Petitioner

Vs.

1. The Regional Provident Fund Commissioner-II
Employees' Provident Fund Organization,
Regional Office-Vellore,
S-1, Phase III, TNHB, Sathuvachari,
Vellore-632 009.

2. The Enforcment Officer DIV-IV,
Employees' Provident Fund Organization,
Regional Office-Vellore, S-1, Phase III,
TNHB, Sathuvachari,
Vellore - 632 009.

3. The Bank Manager,
HDFC Bank, Ambur Branch, No.10/B,
Narayana Krishna Complex,
MC Road, Tamil Nadu-635802. ...Respondents

Writ Petition filed under Article 226 of Constitution of India, praying for issuance of Writ of Mandamus forbearing the 1st and 2nd respondent from proceedings any further in terms of composite order dated 25.11.2024 passed under section 14B and 7Q of the Employees' Provident Funds and Miscellaneous Provisions Act 1952 in proceedings No.TB/VLR/106585/7Q & 14B/PDC/2024/3078 until the Appeal bearing number EPFA.No.26 of 2025 filed by the petitioner before the Central Government Industrial Tribunal cum Labour Court, Chennai is heard for admission and pass an order permitting the petitioner to pay the interest amount demanded under section 7Q of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, in proceedings No.TB/VLR /1061585/7Q & 14B /PDC/2024/3078 dated 25.11.2024 in 18 equated monthly installments.

For Petitioner : Mr.Anand Gopalan for Agam Legal Advocates

For Respondents : Mr.P.K.Panneerselvam for R1 and R2

ORDER

The petitioner has filed this Writ petition seeking to forbear the respondents 1 and 2 from proceeding any further in terms of composite order dated 25.11.2024 passed under section 14B and 7Q of the Employees' Provident Funds and Miscellaneous Provisions Act 1952 in proceedings No.TB/VLR/106585/7Q & 14B/PDC/2024/3078 until the Appeal bearing number EPFA.No.26 of 2025 filed by the petitioner before the Central

Government Industrial Tribunal cum Labour Court, Chennai is heard for admission and pass an order permitting the petitioner to pay the interest amount demanded under section 7Q of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, in proceeding No.TB/VLR /1061585/7Q & 14B /PDC/2024/3078 dated 25.11.2024 in 18 equated monthly installments.

2. Mr.K.Pannerselvam, learned counsel takes notice on behalf of the respondents 1 and 2. In view of the consent expressed by the learned counsel on either side, this Writ petition is taken up for final disposal at the admission stage itself.

3. Since no adverse order is being passed against the third respondent, notice to the third respondent is dispensed with.

4. The case of the petitioner is that it is a private limited company incorporated 2004, is engaged in the manufacture of Footwear leather components. The petitioner commenced its operations in unit III in May 2014. The petitioner has been diligently complying with the provisions of the

Employees' Provident Fund (EPF) Act, 1952 by regularly remitting contributions in respect of its eligible employees and the petitioner operates two independent manufacturing units, each having separate establishment codes under the various provisions of the Act, including the EPF Act, 1952. Due to the financial distress caused by the pandemic and other factors, the petitioner faced a substantial reduction in business, resulting in cancellation of orders and non-receipt of expected payments. On 06.10.2023, the first respondent has issued a notice claiming damages u/s.14B and interest u/s.7Q of the EPF Act for the period fro, 03/2017 to 06/2023. Subsequently, a composite order dated 25.11.2024 was issued by the first respondent u/s.14B & 7Q of EPF Act claiming a sum of Rs.45,33,096/- as damages and interest of Rs.21,40,387/- in respect of belated remittance. Challenging the same the petitioner preferred an appeal before the appellate authority in EPFA.No.26 of 2025. Pending the appeal, the first respondent initiated recovery proceedings by attaching the bank account of the petitioner for the demand raised u/s.14B and 7Q of the EPFA Act, amounting to a total sum of Rs.45,33,096/-. Hence, the present writ petition has been filed by the petitioner seeking the aforesaid relief.

5. The learned counsel for the petitioner submitted that, though the present writ petition has been filed seeking the aforesaid relief, at the time of arguments he restricted his prayer and sought a direction to the first respondent to permit the petitioner to remit the interest of Rs.15,78,326/- determined by the first respondent in 12 equated monthly installments and in respect of the damages, the petitioner is ready to pay 25% of the damages, within the time frame that may be stipulated by this Court. Upon receipt of such payment, the third respondent may be directed to de-freeze the bank account maintained by the petitioner with them. He further submits that this Court may direct the appellate Tribunal to dispose of the appeal filed by the petitioner.

6. On the above said contentions, heard learned counsel appearing on behalf of the respondents 1 and 2 and perused the materials available on record.

7. In view of the limited request made by the learned counsel for the petitioner, this Court without going into the merits of the case, permits the petitioner to remit the interest of Rs.15,78,326/- in 12 equated monthly

installments on or before the last working day of every succeeding English calendar month before the first respondent and the first installment shall commence on 28th of March, 2025. In respect of damages, the petitioner shall remit 25% of the damages before the first respondent within a period of four (4) weeks from the date of receipt of a copy of this order. Upon payment of first installment of the interest as well as 25% of the damages made by the petitioner, the bank account maintained by the petitioner with the third respondent shall be de-freezed. The Central Government Industrial Tribunal, Chennai, is directed to dispose of the appeal filed by the petitioner in EPFA.No.26 of 2025 as expeditiously as possible. If the petitioner fails to adhere to the undertaking of remitting any of the installments and commits default, it is open to the first respondent to initiate appropriate action against the petitioner in accordance with law.

8. With the above directions, this Writ Petition stands disposed of. No costs. Consequently, the connected Miscellaneous petitions are closed.

11.03.2025

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NCC : Yes/No
Index : Yes/No
Speaking Order : Yes/No

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