



WEB COPY



W.P.No.9359 of 2025

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 19.03.2025

CORAM :

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

W.P.No.9359 of 2025

and

WMP.Nos.10518 & 10519 of 2025

M/s.Rajalakshmi Cars Private Limited,
Old. No.69, New No.20, GNT Road,
Madahavaram,
Chennai-60,
Represented by its Authorised Signatory,
Ulaganathan.V.

...Petitioner

Vs.

The Assistant Provident Fund Commissioner,
Regional Office, Ambattur,
No.R-40, A-1, TNHB Shopping Cum Office complex,
Mugappair Road, Magappair East,
Chennai-37.

...Respondent

Writ Petition filed under Article 226 of Constitution of India, praying for issuance of Writ of Certiorari to quash the order bearing No.TN/RO/AMB/PDC/69507/000/PDC/208/2024/7Q/2024, dated 31/08/2024 passed by the respondent, under Section 7Q of the Employees Provident Fund and Miscellaneous Provisions Act, 1952, directing the petitioner to pay a sum of Rs.23,50,651/- in words is (Rupee Twenty three lakh fifty thousand six hundred fifty one only) for the period 07/2016 to 09/2022 as interest under



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Section 7Q of the EPF & MP Act, 1952.

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For Petitioner : Mr.C.Manohar Gupta

For Respondent : Mr.Arun Dhanapalan

ORDER

The petitioner has filed this Writ petition seeking to quash the order bearing No.TN/RO/AMB/PDC/69507/000/PDC/208/2024/7Q/2024, dated 31/08/2024 passed by the respondent, under Section 7Q of the Employees Provident Fund and Miscellaneous Provisions Act, 1952, directing the petitioner to pay a sum of Rs.23,50,651/- in words is (Rupee Twenty three lakh fifty thousand six hundred fifty one only) for the period 07/2016 to 09/2022 as interest under Section 7Q of the EPF & MP Act, 1952.

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

3. The case of the petitioner is that it is a private limited company, is engaged in the business of providing passenger car services and accessories to



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Maruti Suzuki India Limited, including the servicing of passenger vehicles.

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. The petitioner was issued show cause notice for belated remittance of contribution dues for the period 07/2016 to 09/2022 which was belatedly remitted during the period from 01/04/2020 to 31/03/2023 and to appear virtually for hearing on 20.11.2023 vide summons dated 17.10.2023. 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 17.10.2023, the respondent has issued a notice claiming damages u/s.14B and interest u/s.7Q of the EPF Act for the period from, 07/2016 to 09/2022. Subsequently, a composite order dated 31.08.2024 was issued by the respondent u/s.14B & 7Q of EPF Act claiming a sum of Rs.56,79,968/- as damages and a sum of Rs.23,50,651/- as interest in respect of belated remittance. Challenging the same, the present writ petition has been filed by the petitioner seeking the aforesaid relief.

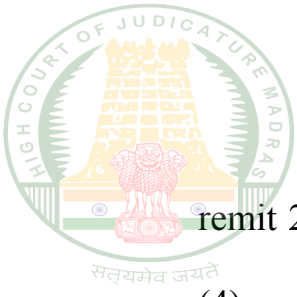
4. The learned counsel for the petitioner submitted that, though the



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 respondent to permit the petitioner to remit the interest of Rs.23,50,651/- determined by the 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 quash the impugned order and allow this appeal.

5. On the above said contentions, heard learned counsel appearing on behalf of the respondent and perused the materials available on record.

6. 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.23,50,651/- in 15 equated monthly installments on or before the last working day of every succeeding English calendar month before the respondent and the first installment shall commence on 15th of April, 2025. In respect of damages, the petitioner shall



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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 shall be de-freezed. If the petitioner fails to adhere to the undertaking of remitting any of the installments and commits default, it is open to the respondent to initiate appropriate action against the petitioner in accordance with law.

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

19.03.2025

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

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