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W.P.No.10682 of 2025

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 27.03.2025

CORAM :

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

W.P.No.10682 of 2025

1. M/s. The Purasawalkam Dhana Vardhana Saswatha Nidhi Ltd.,
No.2, Krishnappa Mudaly Street,
Purasawalkam, Chennai – 600 084.
2. M.Eswarappan, Ex-Director of
M/s. The Purasawalkam Dhana Vardhana Saswatha Nidhi Ltd.,
No.4/11, Parvathi Maaligai, Gandhi Avenue,
Purasawalkam, Chennai – 600 084.

...Petitioners

Vs.

The Assistant Provident Fund Commissioner,
Employee's Provident Fund Organization,
Bhavishya Nidhi Bhawan,
No.37, Royapettah High Road, Chennai – 600 014.

...Respondent

Writ Petition filed under Article 226 of Constitution of India, praying for issuance of Writ of Mandamus by granting extension of time by 4 weeks to prefer an appeal assailing the assessment order dated 29.10.2024 under Section 7A of the Act as well the attachment of bank account order dated 28.02.2025 under Section 8f of the Act, by extending the period of limitation by 4 weeks as contemplated under the rules, since the principles of natural justice is involved in the qua.



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For Petitioners : Mr.Durai Kannan

For Respondent : Mr.K.Venkatesan, for EPFO

ORDER

The petitioners have filed this Writ petition seeking to grant extension of time by 4 weeks to prefer an appeal assailing the assessment order dated 29.10.2024 passed under Section 7A of the EPF Act as well the attachment of bank account order dated 28.02.2025.

2. Mr.K.Venkatesan, learned counsel takes notice on behalf of the respondent. 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. The case of the petitioners is that the 1st petitioner is a Nidhi company registered under the statutory body and the 2nd petitioner is the Ex-Director of the said Company and the 1st petition company accepts deposits from the members and repays the same on its maturity with reasonable



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interest. In the usual course of business, as there were certain bottlenecks, the same resulted in sporadic instances of complaints to the police authorities and on basis of such complaints lodged by the deposit holders, the police authorities registered two FIRs. In sequel, the officials sealed the premises of the 1st petitioner company. In the meanwhile, the respondent statutory body issued notice after notice to the sealed premises for record purpose. Ultimately, based on the paper records, it passed an assessment order on 29.10.2024 as if the petitioners failed to appear for the hearing wantonly and are liable to pay a sum of Rs.12,11,250/-. Further, without communicating the said assessment order, the respondent subsequently passed an order of attachment of bank account on 28.02.2025, thereby freezing the bank account of the 1st petitioner. Hence, this writ petition.

4. Learned counsel for the petitioners submitted that, though the present writ petition has been filed seeking the aforesaid relief, however, at the time of arguments, the learned counsel for the petitioners restricted their prayer and sought for a direction of this Court permitting the petitioners to remit the determined amount of Rs.12,11,250/- in 20 equated monthly

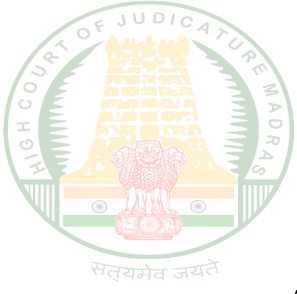


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installments and after receipt of the 1st payment, the respondent may be directed to de-freeze the bank account of the petitioners.

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 petitioners, this Court without going into the merits of the case, directs the petitioners to pay the entire demand of Rs.12,11,250/- by way of ten installment and the first installment commences on 7th April, 2025 and upon receipt of the 1st installment from the petitioners, the bank account maintained by the petitioners shall be defreezed enabling the petitioners to remit their dues as per the undertaking given by them. Further, the remaining dues shall be paid by the petitioners, by way of nine (9) equated monthly installments, on or before 7th of every succeeding English Calendar month. If the petitioners fail 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 petitioners in accordance with law.



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7. With the above observations and directions, this Writ Petition stands

disposed of. No costs.

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(2/2)

skt

NCC : Yes/No

Index : Yes/No

Speaking Order : Yes/No

To:

The Assistant Provident Fund Commissioner,
Employee's Provident Fund Organization,
Bhavishya Nidhi Bhawan,
No.37, Royapettah High Road, Chennai – 600 014.

Note to office: Issue order copy on 01.04.2025.



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In view of amendment to the Court fee rules, this petition is allowed, subject to payment of separate Court fee, within a period of two weeks, from the date of receipt of a copy of this order, failing which this order shall be applicable only to the first petitioner.

27.03.2025

(1/2)

skt