



W.P.No.31692 of 2022

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 16.07.2025

CORAM

THE HONOURABLE MR.JUSTICE **P.DHANABAL**

W.P.No.31692 of 2022

and W.M.P.Nos.31133 and 31135 of 2022

M/s.Spellbee International Private Limited,
represented by its Managing Director & CEO,
Mrs.S.Devakani

.... Petitioner

Vs

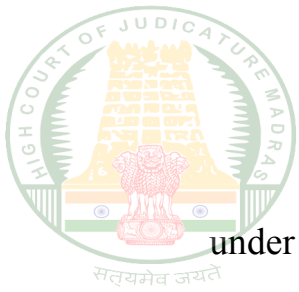
1.Union of India
Ministry of Labour and Employment
represented by its Secretary,
Shram Shakti Bhawan.

2.Assistant Provident Fund Commissioner
Compliance and Recovery
Regional Office, Ambattur.

3.M.Saravanan

.... Respondents

PRAYER: Writ Petitions are filed under Article 226 of the Constitution of India, to issue a Writ of Certiorarified Mandamus, to call for the records in relation to order dated 02.09.2022 passed in proceedings No.TN/RO/AMB/1608822/CC-II/Area-06/2022 by the 2nd respondent



W.P.No.31692 of 2022

under section 7B of the Employees Provident Fund and Miscellaneous Provisions Act of 1952 and to call for the records in relation to order dated 22.09.2022 passed in proceedings No.TN/RO/AMB/1608822/CC-II/Area-06/22 by the 2nd respondent under section 8F(3) of the Employees Provident Fund and Miscellaneous Provisions Act of 1952 and consequentially quash the same as illegal, arbitrary and pass orders.

For Petitioner : Mr.S.Mahesh Kumar
For R1 : No appearance
For R2 : Mr.Krishna dath
for MR.M.S.Viswanathan
For R3 : Served no appearance

ORDER

This Writ Petition has been filed to quash the proceedings passed by the 2nd respondent vide order dated 02.09.2022 in proceedings No.TN/RO/AMB/1608822/CC-II/Area-06/2022 under section 7B of the Employees Provident Fund and Miscellaneous Provisions Act of 1952 and vide order dated 22.09.2022 in proceedings No.TN/RO/AMB/1608822/CC-II/Area-06/2022 under section 8F(3) of the Employees Provident Fund and Miscellaneous Provisions Act of 1952.



W.P.No.31692 of 2022

2. The learned counsel for the petitioner would submit that the petitioner company was incorporated under the Companies Act on 02.11.2016. Under Employees Provident Fund and Miscellaneous Provisions Act of 1952 (hereinafter referred to as 'the EPF Act' for short), an enforcement officer inspected the petitioner's office on 13.08.2019, and filed a complaint before the 2nd respondent, alleging non-enrollment of a PF account from April 2013 till 20.01.2018. During the course of above inspection, the petitioner company furnished several documents, including its incorporation date and attendance records from incorporation until the inspection date. The enforcement officer in his report recorded that the 3rd respondent joined the petitioner's company in November 2016, was terminated on 20.01.2018 and had no attendance records from April 2012 to December 2016.

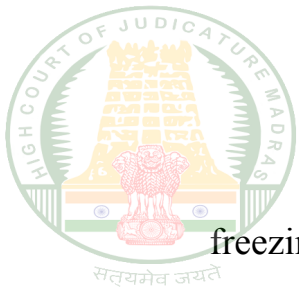
2.1. In the mean time, the petitioner company was called upon to provide a written explanation regarding the 3rd respondent's issue and sent a detailed write up through email to the enforcement officer on 05.09.2019. The 2nd respondent issued statutory summons on 24.10.2019 under section 7A of the EPF Act. Subsequent to the above show cause



W.P.No.31692 of 2022

notice, the petitioner's company official appeared before the 2nd respondent, explained all the things and submitted supporting documents. In the Section 7A proceedings, the 2nd respondent directed the enforcement officer to scrutinize the documents submitted by the petitioner and filed a detailed report. The officer submitted a report on 13.07.2021 containing facts that contradicted the documents provided by the petitioner. Subsequently, the authority passed an order under section 7A of the EPF Act, quantifying an amount of Rs.17,72,472/- for a period from August 2015 to May 2017.

2.2. The 2nd respondent committed an apparent error in the section 7A proceedings. Therefore, the petitioner company filed a review petition under section 7B of the EPF Act on 25.8.2022, raising several grounds. While the petitioner was expecting a notice of hearing from the 2nd respondent, the 2nd respondent suddenly passed an impugned order dated 02.09.2022, dismissing the review application without giving opportunity to the petitioner to putforth its grounds for revision. Pursuant to the above said dismissal order, the 2nd respondent issued another impugned notice dated 22.09.2022, under section 8F(3) of the EPF Act,



W.P.No.31692 of 2022

freezing the petitioner's bank account with the IndusInd Bank, Anna Nagar Branch, Chennai. The 2nd respondent passed the impugned order in violation of principles of natural justice, without providing an opportunity for a hearing in the review petition, the 2nd respondent has passed the impugned order within 7 days shows a predetermined intention to dismiss the review petition. The 2nd respondent ought to have considered the documentary evidence and failed to analyze the grounds raised by the petitioner in the review petition. Therefore, the order passed by the authority/2nd respondent under section 7B of the EPF Act is liable to be quashed.

3. The learned counsel for the 2nd respondent would submit that the authority has already passed a detailed order, and there are no grounds to interfere with the earlier order passed under section 7A of the EPF Act. Already ample chances were provided before the order was passed under section 7A of the EPF Act. Therefore, the authority after perusing the records, passed the impugned order. There is no infirmity or illegality in passing the order and thus, the writ petition is liable to be dismissed.



W.P.No.31692 of 2022

4. This Court heard both sides and perused the records.

WEB COPY

5. In this case, the main grounds raised by the petitioner is that the authority/2nd respondent passed an order under section 7A of the EPF Act, quantifying the amount. In the 7A order, there are some apparent error and thereby they filed the review petition before the 2nd respondent under section 7B of the EPF Act. The review petition was filed on 25.08.2022, but the authority passed an order on 02.09.2022, stating that during the enquiry, the employee furnished different joining dates. They were given ample opportunity to furnish correct joining date to prove their claim but failed to do so. These opportunities were given at the time of hearing for the enquiry held under section 7A of the EPF Act. However, it is an admitted fact that no opportunity was given to the petitioner during the review petition filed under section 7B of the Act. The authority passed the order on the review petition without hearing the petitioner, despite several grounds raised by the petitioner. Therefore, this constitutes violation of the principles of natural justice. It is well-settled law that parties must be heard before orders are passed, even in a review petition, as per section 7B of the Act. The petitioner raised many



W.P.No.31692 of 2022

grounds in the review petition, but these were not considered, and the authority/2nd respondent passed the order without hearing the petitioner.

Therefore, the order passed by the 2nd respondent is unsustainable and liable to be quashed. The matter is remanded back to the 2nd respondent to pass a fresh order after hearing both parties. Therefore, this Court is of the opinion that this writ petition is to be allowed.

6. Accordingly, this Writ Petition is allowed. The order passed by the 2nd respondent is set aside, and the matter is remanded back to the 2nd respondent for passing fresh orders, after providing an opportunity to both parties. The 2nd respondent is directed to dispose of the petition within two months from the date of receipt of a copy of this order.

7. In view of the order passed by this Court as observed above, by setting aside the order passed by the 2nd respondent in proceedings No.TN/RO/AMB/1608822/CC-II/Area-06/2022 filed under section 7B of the EPF Act, the proceedings No.TN/RO/AMB/1608822/CC-II/Area-06/2022 filed under section 8F(3) of the EPF Act, is consequential order to the earlier order's passed under section 7A and 7B of the EPF Act.



W.P.No.31692 of 2022

Therefore, it is also liable to be quashed. Accordingly, this Writ Petition

is allowed. Consequently, connected Miscellaneous petitions are closed.

No costs.

16.07.2025

Index : Yes/No
Neutral citation : Yes/No
mpa

To

- 1.Union of India
Ministry of Labour and Employment
represented by its Secretary,
Shram Shakti Bhawan.
- 2.Assistant Provident Fund Commissioner
Compliance and Recovery
Regional Office, Ambattur.



WEB COPY



W.P.No.31692 of 2022

P.DHANABAL,J.

mpa

W.P. No.31692 of 2022
and W.M.P.Nos.31133 and 31135 of 2022

16.07.2025