IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 25-09-2025

CORAM

THE HONOURABLE MRS.JUSTICE N. MALA

WP No. 35677 of 2025

and

WMP No.39919 of 2025

The Management of
M/s.Srinivasa Fashions Private Limited,
Mahindra City Industrial Park,
Anjur Village, Kancheepruam -603 002.
(Currently Chengalpattu District)
Represented by
Senior Compliance Manager and
Authorised Signatory Mr. P R Jagannath

Petitioner(s)

Vs

1. The Regional Provident Fund
Commissioner - II,
Employees Provident Fund Organisation,
Ministry of Labour and Employment,
Regional Office, Tambaram,
Rajaji Salai, West Tambaram,
Chennai 45.

2.The Recovery Officer,
Employees Provident Fund Organisation,
Ministry of Labour and Employment,
Regional Office -Tambaram,
Rajaji Salai, West Tambaram,
Chenani 45.

Respondent(s)

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Writ petition is filed under Article 226 of the Constitution of India, to issue writ of certiorarified mandamus, to call for the records of the impugned demand Notice passed in No: TB/TAM/RECY/525 /TBTAM0060787000/CPI 2025-26 dated Nil.07.2025 of the 2nd respondent and quash the same and consequently allow the petitioner to discharge the liability of Rs.1,87,72,529/- (Rupees One Crore Eighty Seven Lakhs Seventy-Two Thousand Five Hundred and Twenty-Nine only) in **40 equal monthly instalments** and direct the Respondents to accept the same without resorting to coercive recovery measures.

For Petitioner(s): M/s.J.Akshaykeerthi

For Respondent(s): Mr.R.Thirunavukarasu

ORDER

The writ petition is filed challenging the order dated Nil.07.2025 of the 2nd respondent, to quash the same and to consequently permit the petitioner to discharge the liability of Rs.1,87,72,529/- in 40 Equated Monthly Instalments and pass such further or other orders.

2. The petitioner is a Private Limited Company, engaged in manufacture of ready-made garments generating substantial foreign exchange revenue for country. The petitioner originally had one factory at Mahindra City and three factories at Ambattur, with over 2000 workers. The petitioner states that petitioner paid the statutory benefits like ESI, PF etc., to its employees since its

inception. However, over the years, the petitioner's business suffered severe losses due to multiple reasons like recession in the textile industry, the Chennai floods, change in internal policy in France, demonetization in 2016 November and finally Covid-19 pandemic. The petitioner states that under the circumstances, certain units were closed and sale proceeds of one unit were utilized to meet the wage and other statutory dues. The petitioner states that for the aforesaid reasons, there was delay in remittance of contributions for the period 4/2019 and 5/2022. Whileso, the 1st respondent passed an order under Section 7-A of the Employees' Provident Funds & Miscellaneous Provisions Act, 1952, on 07.06.2024, determining dues of Rs.2,13,89,743/-. The petitioner states that petitioner remitted Rs.26,17,214/-, against the said dues, leaving a balance of Rs.1,87,72,529/-. Meanwhile, the 2nd respondent initiated recovery proceedings under the impugned proceedings dated Nil.07.2025 for the entire balance amount, without giving credit for the sums already remitted by the petitioner. The petitioner states that eventhough the 2nd respondent is vested with powers to initiate recovery proceedings, in the form of attachment of properties and freezing of bank accounts of the petitioner, the petitioner's

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business would be gravely affected, if the respondent resorted to the same. The petitioner hence left with no other remedy, filed the above writ petition for the aforesaid relief.

3. The learned counsel for the petitioner at the time of admission, submitted that the petitioner does not deny its liability to pay the amount determined under Section 7-A of the Employees' Provident Funds & Miscellaneous Provisions Act, 1952, however, due to financial constraints, the petitioner seeks indulgence of this Court to deposit the amount in instalments. The learned counsel further submitted that against the amount assessed under the 7-A order dated 07.06.2024, for sum of Rs.2,13,89,743/- the petitioner remitted a sum of Rs. 26,17,214/-, but the 2nd respondent failed to give credit to the said payment and passed the impugned demand notice for Rs.2,13,89,743/-. The learned counsel for the petitioner hence prayed for permission to pay the balance amount of Rs.1,87,72,529/- in 40 Equated Monthly Instalments, commencing from November 2025.

4. The learned counsel for the respondents on the other hand submitted that the credit claimed by the petitioner for a sum of Rs.26,17,214/- is untenable. However, if the petitioner produces the relevant proof along with the TRRN number/ Demand Draft details, the same would be considered by the respondents. The learned counsel further opposed the prayer for payment in 40 instalments as being on the higher side.

5. I heard both the learned counsels and perused the materials placed on record. With the consent of both the learned counsels the main writ petition is taken up for final disposal.

6. The facts are not traversed to avoid repetition. Suffice it to state that the petitioner admits its liability to pay the amount demanded under the 7-A order dated 07.06.2024, for sum of Rs.2,13,89,743/- less the amount of Rs.26,17,214/- already deposited by it. The contention of the learned counsel for the petitioner that he had remitted a sum of Rs.26,17,214/- towards 7-A order is disputed by the learned counsel for the respondents. The petitioner

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seeks permission of this Court to remit the balance amount of Rs.1,87,72,529/- in 40 Equated Monthly Instalment. In my view, since the records reveal that the petitioner has suffered heavy losses in business and as the petitioner admits its liability, the prayer for payment in instalments is reasonable and justified. However, the number of instalments, needs to be reduced since the petitioner seeks to start payment from November 2025. Hence to meet the ends of justice, the following directions are issued:

i) The petitioner shall remit the sum of Rs.2,13,89,743/-, as per 7-A order dated 07.06.2024, in 20 Equated Monthly Instalments.

ii) The petitioner shall deposit the first of the instalments on or before 25.11.2025, and thereafter on 28th of every succeeding English Calender Month.

iii) For the credit claimed by the petitioner for the sum of Rs.26,17,714/-, the petitioner shall produce proof with TRRN number and Demand Draft details to the respondents, and if the respondents are satisfied about the payment, the respondents shall give credit for the said amount.

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7. It is made clear that, in case the petitioner defaults in payment of any one of the instalments, the respondents shall be at liberty to initiate recovery proceedings in a manner known to law.

Writ petition is accordingly disposed of in terms of the above directions. However, there shall be no order as to costs. Consequently, the connected miscellaneous petition is closed.

dsn **25-09-2025**

Index:Yes/No
Speaking/Non-speaking order
Internet:Yes
Neutral Citation:Yes/No

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To

1.The Commissioner-II,
Regional Provident Fund,
Employees Provident Fund
Organisation, Ministry of Labour and
Employment, Regional Office,
Tambaram, Rajaji Salai,
West Tambaram, Chennai 45.

2.The Recovery Officer,
Employees Provident Fund
Organsisaiton, Ministry of Labour and
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Tambaram, Rajaji Salai,
West Tambaram, Chenani 45.

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N.MALA J.

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