



W.P.(MD).No.6257 of 2025

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BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

DATED : 12.08.2025

CORAM:

THE HONOURABLE MR.JUSTICE R.VIJAYAKUMAR

W.P(MD)No.6257 of 2025

and

W.M.P(MD) Nos.4603 and 4604 of 2025

The Commissioner,
Vedaranyam Municipality,
Vedaranyam,
Nagapattinam District.

... Petitioner

Vs.

1. The Assistant Provident Fund Commissioner,
Employee's Provident Fund Organisation,
(Ministry of Labour & Employment,
Government of India)
Regional Office, P.B.No.588,
Sree Complex, 'D' Block, No.18
Madurai Road, Tiruchirappalli – 620 008.

2. The Branch Manager,
City Union Bank,
Vedaranyam Branch,
Nagapattinam District.

... Respondents

PRAYER: Writ Petition filed under Article 226 of the Constitution of India, praying this Court to issue a Writ of Certiorari, to call for the records of the impugned order No.Enf.D1/RO-TRY/81726/7A Order/2024-25, dated 29.11.2024 issued by the first respondent and the consequential impugned



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order of the first respondent in CB/TRY/ENF/D1/81726/8F Order/1/2024-25, dated 25.02.2025 and quash the same as illegal, devoid of merits.

For Petitioner : Mr. M.Kannan

For R1 : Mr.I.Robert Chandra Kumar
Standing Counsel

ORDER

The present Writ Petition has been filed by the Commissioner, Vedaranyam Municipality, challenging the order passed under Section 7(A) of the Employees' Provident Fund and Miscellaneous Provisions Act and the consequential order passed under Section 8F of the Employees' Provident Fund and Miscellaneous Provisions Act.

2. The submission of the writ petitioner is that the original order under Section 7(A) of the Employees' Provident Fund and Miscellaneous Provisions Act, passed on 29.11.2024 was modified by the authorities on 04.02.2025, thereby reducing the contribution amount. Without awaiting for the appeal period, the authorities have proceeded to freeze the bank account of the Municipality and they have already recovered a sum of Rs.86,07,200/- (Rupees Eighty Six Lakhs Seven Thousand and Two Hundred only).



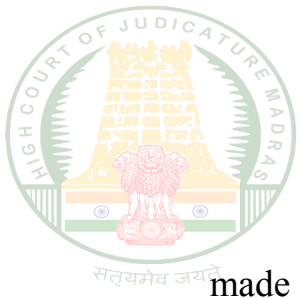
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3. According to the learned counsel appearing for the petitioner, they have already preferred an appeal and an order of interim stay has been granted by the appellate authority on the ground that already a sum of Rs.86,07,200/- (Rupees Eighty Six Lakhs Seven Thousand and Two Hundred only) has been recovered from the municipality. It is the grievance of the petitioner Municipality that normally the appellate authority is imposing condition to deposit only 75% for numbering the appeal or for granting interim orders. However, in the present case, since the entire amount has already been recovered, waiver application presented before the appellate authority has also been closed.

4. The learned counsel appearing for the petitioner further submitted that an excess amount of Rs.10,00,000/- (Rupees Ten Lakhs only) has already been recovered by the Employee's Provident Fund Organization. Considering the financial crisis, the amount recovered over and above the 75% shall be directed to be refunded.

5. Per contra, the learned Standing Counsel appearing for the first respondent/Provident Fund Organization submitted that the recovery has been



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made only pursuant to an order under Section 7(A) of the Act. In such circumstances, refunding of the amount would not arise.

6. Considering the financial condition of the petitioner Municipality, the amount that has been recovered from the Municipality which is over and above 75% as per Section 7-(A) of the Employees' Provident Fund and Miscellaneous Provisions Act shall stand refunded. The said refund shall be made within a period of three weeks from the date of receipt of a copy of this order.

7. With the above said observation, this Writ Petition stands disposed of. There shall be no order as to costs. Consequently connected Miscellaneous Petitions are closed.

12.08.2025

NCC : Yes/No
Index : Yes / No
Internet : Yes / No
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