BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

DATED: 18.11.2025

CORAM:

THE HONOURABLE MR.JUSTICE B.PUGALENDHI

W.P(MD)No.15472 of 2022 and
WMP(MD) No.11113 of 2022

M/s. Madurai Meenakshi Food Products,
New No.94, Khanpalayam 1st Street,
Madurai – 625 009.
Tamil Nadu
Through its Proprietor. ... Petitioner

Vs

The Assistant Provident Fund Commissioner,
Employees Provident Fund Organization,
Regional Office,
Lady Doak College Road - Chokkikulam,
Madurai 625 002. ... Respondent

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 from the file of the CGIT cum Labour Court, Chennai herein EPFA No.310/2018 and to quash the order dated 10.01.2020 and set aside the Order passed by Respondent in No.TN/MDU/97363/Enf.C/Circle-15/M-5/15022/2016, dated 22.02.2016 claiming contribution under section 7A of the EPF Act for the period from December 2013 to December 2015 to the tune of Rs.2,35,989/-.

For Petitioner : Mr.C.Karthikeyan
For Respondent : Mr.A.John Xavior

ORDER

The Petitioner's Firm is covered under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 and they have also been allotted with a PF Code No. TN/97363, with effect from 01.12.2013. The petitioner Establishment has failed to pay the EPF contribution for the period from December 2013 to December 2015. Therefore, the EPF Authority, after issuing a show cause notice on 03.06.2014, conducted an enquiry on 02.07.2014 for determination of the dues under Section 7A of the Act. Since the petitioner Establishment did not appear for the enquiry proceedings, the EPF Authority has determined the dues under Section 7A of the Act, as Rs.2,30,332/-, vide File No.TN/MDU/ 97363/ Enf.C/ Circle-15/ M-5/15022/2015, dated 22.02.2016. As against the order passed under Section 7A of the Act, the petitioner has filed a review application under Section 7B of the Act and that was also rejected by the EPF authority on 27.07.2016. Thereafter, this petitioner has preferred a statutory appeal, before the Tribunal under Section 7(I) of the EPF Act in EPFA No.310 of 2018 (A/TA-125/2018). For any appeal filed before the Appellate Tribunal, the employer is mandated to deposit 75% of the amount as determined under section 7A of the Act, as required under Section 7(O) of the Act. The petitioner has not deposited that amount, however, as per the proviso class available under Section 7(O) of the Act, the tribunal has reduced the amount to 20% of the determined amount. The petitioner has not paid even this reduced amount and therefore the EPF Appellate Tribunal has rejected the appeal. Aggrieved over the same, the petitioner has preferred this writ petition in the year 2022.

2.The learned counsel appearing for the petitioner submits that the appeal was filed in the year 2016 and it was rejected by the Tribunal in the year 2019. In the meantime, the Company has suffered a huge loss and also the proprietor of the petitioner Establishment died. Therefore, they were not in a position to pay this amount as directed by the Appellate Tribunal. According to the petitioner, though there were 20 employees, most of the employees are closely related and therefore, the coverage under the EPF Act itself is not proper. The learned counsel further submits that the petitioner is having a good case on merits before the Appellate Tribunal, however, the Appellate Tribunal has rejected the appeal, on technical grounds that the amount as required under Section 7(O) of the Act has not been deposited. He further submits that the petitioner is now ready to pay 20% of the dues as directed by the Appellate Tribunal in the year 2016 and therefore, he must be provided with one opportunity.

3.The learned counsel appearing for the EPF Authority submits that the dues determined by the EPF authority under Section 7A of the Act is not a huge amount. Though the petitioner had to make pre-deposit of 75% of the determined amount, it has been reduced to 20% considering his submissions, even then, he has not complied with the condition and dragged on the proceedings unnecessarily. Therefore, the Appellate Authority has rejected the appeal. Hence, there is no need to interfere with the order impugned in this writ petition.

4.This Court considered the rival submissions made and also perused the materials placed on record.

5.The petitioner is covered under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 and he has been allotted with PF Code No. TN/97363 in the year 2013. A proceedings under Section 7A of the Act was initiated in the year 2014 that this petitioner has failed to pay the EPF contribution for the period from December 2013 to December 2015. Since the petitioner has not paid the contribution amount, the Authority has proceeded further by issuing a show cause notice on 03.06.2014 and also by conducting an enquiry on 02.07.2014. The petitioner has appeared for an enquiry through his Accountant and sought time for production of records. The enquiry was conducted from the year 2014 to 2015 and finally, it was concluded on 20.02.2016. The EPF Authority found that this petitioner has not paid the EPF contribution from the month of December 2013 to December 2015 and therefore determined the dues as Rs.2,30,332/- by an order, dated 22.02.2016. The petitioner has also filed a review application under Section 7B of the Act and that was also rejected by the Authority on 27.07.2016. Thereafter, the petitioner has preferred statutory appeal provided under Section 7(I) of the Act. Section 7(O) of the EPF Act mandates the Appellate Tribunal to entertain any appeal as against the determination of EPF contribution dues under Section 7A of the Act, only on deposit of 75% of the determined amount. The proviso class enables the Tribunal to reduce the amount to be deposited as per the Act. Accordingly, the Tribunal has considered the case of the petitioner and also reduced the amount to 20% instead of 75% of the determined amount. Even this amount has not been paid by the petitioner. Therefore, the Tribunal has rightly rejected the appeal, for non-compliance of the mandatory provision contemplated under Section 7(O) of the Act.

6.In view of the above, this Court finds no reason to interfere with the findings of the Tribunal. Accordingly, this writ petition is dismissed. No costs. Consequently, connected Miscellaneous Petition is closed.

18.11.2025

NCC: Yes/No
Index:Yes/No
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To

The Assistant Provident Fund Commissioner,
Employees Provident Fund Organization,
Regional Office,
Lady Doak College Road - Chokkikulam,
Madurai 625 002.

B.PUGALENDHI, J.

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Order made in
W.P(MD)No.15472 of 2022 and
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