



WP.(MD)No.7454 of 2018

BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

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DATED : 27.10.2025

CORAM :

THE HON`BLE MR.JUSTICE B.PUGALENDHI

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and

WMP.(MD)No.7116 of 2018

Central Board of Trustees, New Delhi Rep.by,
The Regional Provident Fund Commissioner,
Office of the Regional Provident Fund Commissioner,
Lady Doak College Road,
Chokkikulam, Madurai District.

... Petitioner

Vs.

- 1.The Presiding Officer,
Employee's Provident Fund Appellate Tribunal,
Scope Minor, Core II, 4th Floor,
Lalidumi Negar District Centre,
Lakshmi Nagar, New Delhi.
- 2.M/s.Sri Venkatesa Paper & Board,
Swaminathapuram
Madathukulaus, Udumalpet-642 113.
- 3.M/s.Asset Care and Reconstruction Enterprise Limited (ACRE),
Having its registered and Corporate Office in,
2nd Floor, Mohan Dev Building, Tolstoy Marg,



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New Delhi 110 001,
rep.by its Constituted Attorney
Parijatha Business Solution Pvt Ltd.,
having its registered office at
No.430, 3rd Cross, 5th Block, HBR Layout,
Bangalore-560 043 through its Managing Director and CEO
Mr.P.Krishnan.

... Respondents
(R3 is *suo motu* impleaded vide Court order dated 19.03.2025 in
WP.(MD)Nos.7454 of 2018, 10006 of 2015 and 7454 of 2018)

Prayer : Writ Petition filed under Article 226 of the Constitution of India, praying for the issuance of Writ of Certiorarified Mandamus, to call for the records relating to the order passed by the first respondent in ATA.No.735(13)2013 dated 29.11.2013 and quash the same as unconstitutional and consequently direct the second respondent to pay 14B damages as calculated by the order in M13/TN/MDC/11266/Recy/Ro/2013 dated 27.09.2013 which includes the order made in TN/MDU/ SDC/TN / 11266 /SRO /2002 dated 01.11.2002 within a time frame as fixed by this Court.

For Petitioner : Mr.A.John Xavier

For R2 : Mr.V.O.S.Kalaiselvam

For R3 : Mr.V.Karthikeyan



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ORDER

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This writ petition has been filed as against the order passed by the first respondent/Tribunal in ATA.No.735(13)2013 dated 29.11.2013.

2.The above appeal was filed by the second respondent/establishment as against the demand order dated 27.09.2013 issued as against the second respondent /establishment demanding contribution of the second respondent / establishment of Rs.1,84,36,532/- and 7Q dues Rs.1,74,14,068/-.

3.The second respondent / establishment has preferred the above appeal before the appellate Tribunal and the same was allowed on the following grounds:-

a.There is no finding by the Authority that the establishment had acted with *mens rea* or *actus reus* to contravene the statutory provisions.



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b.The Authority has considered the provisions of Section 14B of the Act and the EPF Scheme mandatory and elected to impose damages in all situations.

c.The Authority has not determined the quantum of amount of compensation credited to the employees and the share of the EPFO.

4.It appears that the Tribunal has allowed the appeal as if this appeal has been filed as against the damages levied under Section 14B of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952[hereinafter referred as 'the Act']. This demand notice is consequent to the contribution arrived under Section 7A of the Act. In fact, 7A contribution has been arrived after providing an opportunity of hearing to the second respondent. However, 7A order passed by the authority has not been challenged by the establishment. On the other hand, this consequent demand notice has been challenged and it has also been entertained by the Tribunal in a mechanical manner.



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5. Since it is only a consequent order pursuant to the 7A order and it is only demand notice, in the absence of any challenge to the 7A order, the order passed by the Tribunal is liable to be set aside. Accordingly, the impugned order dated 29.11.2013 is set aside and this writ petition is allowed. No costs. Consequently, connected miscellaneous petition is closed.

27.10.2025

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

To

The Presiding Officer,
Employee's Provident Fund Appellate Tribunal,
Scope Minor, Core II, 4th Floor,
Lalidumi Negar District Centre,
Lakshmi Nagar, New Delhi.



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