IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: **17-06-2026**

CORAM:

THE HON'BLE MR.JUSTICE K. SURENDER

W.P.No.22762 of 2026
and
W.M.P.Nos.24699 & 24703 of 2026

MARUTHAMALAI SRI MURUGAN textiles
Rep. by its Executive Partner-Mr.K. Venkitapaty,
S.R.K.V. Post,
Periyanaikenpalayam,
Coimbatore -641 020

..Petitioner

Vs

1. The Regional Provident Fund Commissioner
   Employees Provident Fund Organization,
   Regional Office, Coimbatore.

2. The Assistant Provident Fund Commissioner
   Employees Provident Fund Organization,
   Regional Office, Coimbatore.

3. The Authorized Officer /Recovery Officer
   Employees Provident Fund Organization,
   Regional Office, Coimbatore.

..Respondents

PRAYER: Writ Petition filed under Article 226 of the Constitution of India, seeking for a Writ of Certiorarified Mandamus, calling for the records relating to the order dated 03.02.2026 passed by the Central Government Industrial Tribunal-cum-Labour Court, Chennai, in EPFA No.51, of 2017 and the consequential Recovery Certificate dated 22.04.2026 In. Ref. No.RRC. No.CBCBE 21161/0000071/16/04/2018/501/35 issued by the third respondent under section 8(B)(2) of the Employees Provident funds and Miscellaneous Provisions Act, 1952 to quash the same insofar as it relates to erroneous calculation of damages and pass orders.

For Petitioner: Mr.S.Ezhilraj

For Respondents: Mr.R.Vishnu,
For RR 1 to 3

***

ORDER

Seeking to quash the order passed by the Central Government Industrial Tribunal-cum-Labour Court, Chennai, in E.P.F.A.No.51, of 2017, dated 03.02.2026 and the Recovery Certificate dated 22.04.2026 in Ref. No.RRC. No.CBCBE 21161/0000071/16/04/2018/501/35 issued by the third respondent under section 8(B)(2) of the Employees Provident funds and Miscellaneous Provisions Act, 1952, the petitioner has preferred the present writ petition.

2. The petitioner herein, is a Spinning Mill establishment, covered under the Employees' Provident Funds and Miscellaneous Provision Act, 1952 bearing code No.TN/CB/CBE/71. Due to unprecedented financial crisis and severe losses suffered by the petitioner/ Spinning Mill from the financial years 2011-2012 to 2014-2015, the petitioner was unable to remit certain provident fund contributions within the stipulated time. Later, the spinning mill was closed on 30.06.2014. The second respondent, vide proceedings dated 12.08.2014, determined the provident fund dues for the period from 03/2011 to 09/2013 under Section 7A of the Act and the same was remitted by the petitioner before 30.03.2015.

3. Subsequently, proceedings under Section 14B of the Act was initiated and the second respondent passed an order dated 05.09.2017 levying damages of Rs.26,03,422/- (Rupees Twenty Six lakhs Three Thousand Four Hundred and Twenty Two only). While calculating the damages, the respondent erroneously adopted a common remittance date for several bulk remittances, instead of considering the actual dates of remittance pertaining to the respective months and calculated the damages excessively as Rs.5,90,000/- (Rupees Five Lakhs and Ninety Thousand only). Aggrieved by the said order, the petitioner preferred E.P.F.A.No.51 of 2017 before the Central Government Industrial Tribunal-cum-Labour Court, Chennai.

4. The Tribunal, by order dated 03.02.2026, granted a reduction of 30% of damages without adjudicating the principal issue raised by the petitioner. Pursuant to the Tribunal's direction, the petitioner has already deposited Rs.8,00,000/- (Rupees Eight Lakhs only) towards pre-deposit. However, while issuing the Recovery Certificate, dated 22.04.2026, under Section 8(B)(2) of the Act, the third respondent mechanically reduced 30% from the original damages without revising the erroneous calculation and further failed to give credit to the pre-deposit amount already remitted by the petitioner. Therefore, the petitioner has approached this Court by way of filing this writ petition, seeking to quash the above two orders passed by the respondents and for a direction to

recalculate the damages based on actual remittance dates after giving due credit to the pre-deposit amount of Rs.8,00,000/-.

5. Learned counsel appearing on behalf of the respondents vehemently opposed this petition on the ground that the Labour Court had already shown leniency and reduced an extent of 30% of damages and no further deductions can be ordered and hence, prayed for dismissing the petition.

6. Heard the learned counsel for the petitioner and the learned counsel appearing for the respondent and perused the materials placed before this Court.

7. However, keeping in view of the condition of the petitioner's Spinning Mill, this Court deems it appropriate to modify the damages levied upon the petitioner Spinning Mill from Rs.26,03,422/- to Rs.13,00,000/- (Rupees Thirteen lakhs only). Since the petitioner had already paid Rs.8,00,000/- as pre-deposit amount, the same shall be deducted from the above said Rs.13,00,000/- and the remaining amount, i.e.5,00,000/- shall be paid by the petitioner/ Spinning Mill within a period of eight (08) weeks from the date of receipt of a copy of this order.

8. Accordingly, the Writ Petition stands Allowed. No costs. Consequently, connected miscellaneous petitions are closed.

(K. SURENDER, J.)
17-06-2026

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

sts

To:

1. The Regional Provident Fund Commissioner
   Employees Provident Fund Organization,
   Regional Office, Coimbatore.

2. The Assistant Provident Fund Commissioner
   Employees Provident Fund Organization,
   Regional Office, Coimbatore.

3. The Authorized Officer /Recovery Officer
   Employees Provident Fund Organization,
   Regional Office, Coimbatore.

K.SURENDER J.

sts

Order made in
W.P.No.22762 of 2026

Dated:
17-06-2026