

**BEFORE THE CENTRAL GOVERNMENT INDUSTRIAL
TRIBUNAL-2, MUMBAI**

APPEAL NO. CGIT- 2 / EPFA /10/2025

M/s. Abhinav Education Society.

- Appellant

V/s.

The Regional Provident Fund Commissioner-I,

EPFO, Pune.

- Respondent

**ORDER
(Delivered on 06-05-2025)**

Read application filed on behalf of the applicant. Perused the reply alongwith various decisions of High Court filed on behalf of the opponent.

Heard Mr. Chheda representative for the applicant and Mr. Surana advocate for the opponent.

Undisputedly, the applicant challenged the legality of orders dated 30.12.2024 passed u/s. 14-B & 7-Q of the EPF & MP Act and during pendency of the appeal, the opponent initiated recovery proceeding against the applicant and also issued Recovery notice of demand dated 25.04.2025. True it is that, in the appeal, no prohibitory order such as stay to the recovery proceeding has not been passed and that application is pending as on the previous date there was no appearance on behalf of the opponent. The matter was posted for reply on 17.06.2025 and as the matter is taken on board today, then the counsel put his appearance on behalf of the opponent, however the facts remain that, the opponent has

knowledge about the challenge to the orders passed u/s. 14-B & 7-Q of the EPF Act in appeal.

There cannot be a second opinion that, in absence of stay order, the action of the opponent in respect of recovery cannot be said to be in violation of the prescribed procedure under EPF Act, however it is a judicial discipline and also observed by the superior courts that, when the matter is subjudiced before appropriate legal forum, then the authority should be slow in implementing that order as such though the action of recovery is not illegal, still it is certainly improper and also seems to be passed hurriedly.

I have carefully gone through the various decisions relied on behalf of the opponent, however those are related to the merits of the matter and certainly will be considered while deciding the application for stay after filing reply on behalf of the opponent.

From the above discussion, it is clear that, the action of the opponent in respect of issuance of Recovery notice of demand is not illegal but the same is improper. Therefore, I am directing the opponent not to act on Recovery notice of demand dated 29.04.2025 only on depositing the entire amount assessed in the order u/s. 7-Q of the EPF Act i.e., Rs.49,77,203/- with the opponent.

In the result, the application is allowed. The opponent is hereby directed not to act on Recovery notice of demand dated 29.04.2025 only on depositing the entire amount of Rs.49,77,203/- assessed in the order passed u/s. 7-Q of the EPF Act.

Sd/-

Date: 06-05-2025

(Shrikant K. Deshpande)
Presiding Officer
CGIT -2, Mumbai

