

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

M/S. Solapur Municipal Corporation  
Solapur.

- APPELLANT

V/s.

Regional Provident Fund Commissioner-II,  
Solapur & Anr.

- RESPONDENTS

**ORDER**

Dated:27.02.2023

Present: Shri Ramdaas Hake Patil, Advocate, for the appellant.  
Mrs. Kashmira Vashi Sawant, Advocate, for the respondents.

The present appeal is pending for 06.04.2023.

An application has been filed by the appellant for taking up the matter on today's board with advance notice to the respondent No.1.

In response to the advance notice, Mrs. Kashmira Vashi Sawant, Advocate, has appeared for the respondents. She has filed an undertaking to the effect that she will file the Vakalatnama on the next date of hearing.

The present appeal under Section 7-I of the Employees' Provident Funds & Miscellaneous Provisions Act, 1952, [herein after referred to as 'the Act'] is directed against the order dated 26.08.2022 passed by the respondent No.1 under Section 14B of the Act.

As per the impugned order, the amount of penalty under Section 14B of the Act is Rs.1,93,83,910/-.

The learned counsel for the appellant submits that an order under Section 7Q was also passed against the appellant and the appellant is ready to deposit the entire amount thereunder as per the orders of the Hon'ble Bombay High Court. He further submits that the impugned order is not sustainable in view of the grounds taken in the grounds of appeal. He also offers to deposit some amount as assessed under Section 14B of the Act. Thus, he prays that operation of impugned order may be stayed subject to deposit of some amount by the appellant.

On the other hand, learned counsel for the respondents resisted the said contentions and submitted that reasoned order has been passed after

affording due opportunity to the appellant and the same is legal and valid. She further submits that the appellant is the Municipal Corporation of Solapur and it being a government agency having committed default, no leniency deserves to be shown to it. Thus, she argued that no ground for stay is made out.

After hearing both the sides and going through the case file carefully, I am of the considered opinion that there are arguable points in the appeal.

Keeping in view the facts and circumstances of the case and particularly the fact that the appellant is the Municipal Corporation which has committed default, it is ordered that the appellant shall deposit 50% of the amount of Rs. 1,93,83,910/- as assessed under Section 14B of the Act with the respondent within three months from today. The recovery of the remaining 50% of the said amount shall remain stayed till decision of the present appeal.

It is made clear that in case, the said 50% amount is not deposited within the stipulated time, the stay order shall stand vacated automatically and the entire amount shall become recoverable.

Thus, the application for stay accordingly stands disposed of.

To come up on 06.04.2023, the date already fixed.

February 27, 2023

Sd/-  
(LAXMI NARAIN JINDAL)  
Presiding Officer  
CGIT -2, Mumbai