

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

APPEAL NO. CGIT- 2 / EPFA /48 /2021

M/s. Bhima Education Trust - Appellant

V/s.

The Regional Provident Fund Commissioner,

EPFO, Pune.

- Respondent

ORDER

(Delivered on 12-11-2024)

M/s. Bhima Education Trust / appellant-applicant has challenged the legality of the orders dated 10.03.2020, passed u/s. 14-B & 7-Q of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, (for-short "the EPF Act"), in the present appeal and by this application, the applicant prays for stay to the effect and operation of the order under appeal during pendency of lis.

2. According to the applicant, their Institute is an educational trust, registered under the Societies Registration Act 1860, unaided and affiliated with the Government of India. The Institute is formed by raising funds from the farmers with an object to provide technical education in the area of Daund village and regularly remitted Provident Fund contribution with the opponent, still without issuing show cause notice, the opponent issued summons by fixing an advance quantum of interest and damages and without considering the mitigating circumstances under which

the remittance could not be made in time, passed illogical orders u/s. 14-B & 7-Q of the Act, for the period from 08/2014 to 03/2018, imposing the damages of Rs. 10,67,053/- & interest of Rs. 5,12,188/- that too without recording reasons and using discretion as such the order under appeal is illegal.

3. The respondent-opponent submitted quantum reply to the appeal and denied all the contentions of the appellant-applicant however not submitted specific reply to the application for stay.

4. I have heard Mr. Chheda representative for the applicant and Mr. Rattesar Adv. for the opponent.

5. Undisputedly, combined summons dated 15.10.2019, were issued in respect of enquiry regarding damages & interest for remittance of Provident Fund contributions for the period from 08/2014 to 03/2018. In response to that, the Principal of the Institute appeared in enquiry, requested for reduction a waiver of damages in case of change of management, transfer of undertaking to workers and merger or amalgamation and thereby complete waiver of damages or atleast 50%, however the Authority has imposed full damages as well as interest. In my opinion, these aspects need to be considered while deciding an appeal on merit, however in such circumstances it can be safely said that, the applicant has made out the prima-facie case at this stage.

Furthermore considering the other facts and circumstances of the case, the balance of convenience lies in favour of the applicant and considering the comparative hardship, the applicant is entitled for interim relief. The present appeal is in respect of damages as well as interest and appeal against the interest

independently is not maintainable under Law therefore, it will be just to direct the applicant to deposit the amount of Rs. 5,12,188/- towards interest with the opponent till the disposal of the appeal on merit.

In the result, the application is allowed. The applicant is directed to deposit the amount of Rs. 5,12,188/- towards interest with the opponent within the period of eight weeks from the date of this order and thereafter only the order under appeal will be stayed till the disposal of the appeal on merit.

Sd/-

Date: 12-11-2024

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

