

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

**APPEAL NO. CGIT- 2 / EPFA /49/2025**

M/s. Balaji Ratna Multiservices Pvt. Ltd. - Appellant

V/s.

The Regional Provident Fund Commissioner-I,

EPFO, Pune. - Respondent

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

Read application for De-Freeze the Bank Account filed by the applicant. Perused the say given on behalf of the opponent.

Heard Mr. Chheda representative for the applicant and Ms. Shamiana holding for advocate for the opponent.

It is contended on behalf of the applicant that, the applicant has challenged the legality of order dated 25.02.2025 passed u/s. 7-A & 7-Q of the EPF & MP Act 1952, (for-short, "the EPF Act") on 11.04.2025 and notice was served to the opponent. The opponent had knowledge about the filing of appeal before the Tribunal, still the opponent issued the order u/s. 8-F of the EPF Act on 28.04.2025, served to the applicant Bankers DBS Bank and attached the Bank Account of the applicant. After receipt of order u/s. 8-F of the EPF Act to the Bank, applicant requested to De-freeze the bank accounts, but bank accounts have not been De-frozen. It is further contended that, the order of attachment u/s. 8-F of the EPF Act has been passed without serving any prior notice and without declaring him defaulter, therefore

the same is illegal, thus prays for De-freezing the Bank Accounts of the applicant.

As against this, it is submitted on behalf of the opponent that, the order u/s. 7-A has been passed on 25.02.2025, no stay granted by this Tribunal to the recovery proceeding, which has been initiated as per the provisions of the Act. The dues have been assessed for the period from 2016 to 2021, sufficient opportunities were given. There is no proper compliance of deposit of 75% amount, therefore the application be rejected and in the alternative the applicant be directed to deposit the 75% amount. The reliance has been placed on the decision of our **Bombay High Court in LPA No. 134 of 2010 in Writ Petition No. 3277/2009 M/s. O. G. Bajaj Constructions v/s., The Assistant Provident Fund Commissioner Nagpur.**

I have given anxious consideration to the oral submissions advanced on behalf of the parties. There appears no dispute that, the applicant challenged the legality of order dated 25.02.2025 passed u/s. 7-A & 7-Q of the EPF Act (composite order) before this Tribunal on 11.04.2025, in which notice was issued to the opponent R/O on 28.04.2025. The opponent put appearance and thereafter the matter is kept today. True it is that in the appeal filed by the applicant, the Tribunal has not passed any stay or prohibitory order against the opponent, therefore order u/s. 8-F of the EPF Act has been passed, that order has been sent to the applicant's bank and thereby requested the applicant's bank to Freeze the Bank Accounts of the applicant.

Needless to say that, as per Sec.8-F (III), the copy of notice shall be forwarded to the employer before issuing the certificate

u/s. 8-B. In the decision of our **Bombay High Court in Navneet Motors Pvt. Ltd., v/s. Union of India & Anr., MANU/MH 1804/2011**, it has been appreciated that, “in view of these facts it is crystal clear that, the opponent without following the procedure as prescribed the u/s. 8-B of the said Act, without issuing any recovery certificate and without declaring the petitioner as defaulter passed order and recovered the amount. As the amount is recovered by the opponent without following due procedure the same is liable to be set aside in the case in hand before issuing the recovery order u/s. 8-F notice to the employer/applicant was not given nor the applicant was declared as defaulter, therefore the order of recovery prima-facie seems to be not in accordance with the provisions of the EPF Act and freezing the account based on that order also seems to be improper.”

The counsel for the opponent rightly pointed out that mere filing of appeal is not sufficient and in absence of stay or prohibitory order there is nothing wrong in passing the order u/s. 8-F of the EPF Act. However as observed earlier the order was passed without issuing any notice to the applicant, therefore the same is illegal and improper.

Much is argued on behalf of the opponent about the pre-deposit of 75% amount, which is essential for entertaining the appeal. However the application for waiver as well as stay to the proceeding both are yet to be decided and the decision of Bombay High Court relied on behalf of the applicant will certainly required to be considered while deciding the application u/s. 7-O of the EPF Act. Therefore instead of directing the 75% amount, I am directing the applicant to deposit the 40% of amount of composite order

(amount assessed u/s. 7-A + 7-Q) with the opponent and then only the Bank Accounts of the applicant can be De-frozen.

In the result, the application is allowed. The opponent is directed to De-freeze the Bank Accounts of the applicant by issuing letter to the Bank Authorities accordingly only after depositing the 40% of amount of composite order (amount assessed u/s. 7-A + 7-Q) with the opponent.

Date: 06-05-2025

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