

**IN THE HIGH COURT OF JUDICATURE AT BOMBAY
CIVIL APPELLATE JURISDICTION**

WRIT PETITION NO. 8532 OF 2026

Mutul Automotive Pvt. Ltd.

...Petitioner

V/s.

Regional Provident Fund
Commissioner

...Respondent

Ms. Samiksha Kanani *with Ms. Janhavi Jadhav, for the Petitioner.*

Ms. Smita Thakur, *for the Respondent-RPFC*

CORAM: SANDEEP V. MARNE, J.

DATED: 10 JULY 2026.

P.C.:

1) The Petitioner has filed the present petition aggrieved by the action of Regional Provident Fund Commissioner-II and Recovery Officer, Pune (RPFC) issuing notice of demand dated 27 April 2026 and demanding an amount of Rs.1,73,39,748/- in pursuance of order dated 18 September 2023 passed under the provisions of Section 7A of the Employees Provident Fund and Miscellaneous Provisions Act, 1952 (EPF Act) and the Recovery Certificate dated 10 April 2024.

2) I have heard Ms. Kanani, the learned counsel appearing for the Petitioner. She submits that the Petitioner has filed Appeal under Section 7I of the EPF Act challenging Section 7A order dated 18 September 2023. She further submits that Petitioner has also filed application under Section 7O of the EPF Act seeking waiver of deposit of the ascertained amount, as well as for stay. She complains that the application under Section 7O has been kept pending by the Central Government Industrial Tribunal (**CGIT**) for the last almost 2 long years without any decision thereon. She submits that the application under Section 7O was closed for orders on 9 December 2024 but the order therein is yet to be passed. She takes me through the rojnama of the Tribunal in support of her contention that the Tribunal has not passed order on application under Section 7O for a considerable period of time. She submits that despite knowing the position of Section 7O application being closed for orders, the RPFC has acted arbitrary by issuing the impugned notice of demand dated 27 April 2026.

3) Per-contra, Ms. Thakur, the learned counsel appearing for the Respondent-RPFC submits that mere filing of Appeal under Section 7I of the EPF Act does not automatically operate as stay to the order passed under Section 7A of the EPF Act. She further submits that under the provisions of Section 7O, the Appeal cannot be entertained unless deposit of 75% of the ascertained amount is made. She submits that there is nothing on record to indicate that the application under Section 7O has been reserved for orders as falsely sought to be suggested by the Petitioner. She therefore justifies the action of RPFC in issuing the impugned notice of demand.

4) Ordinarily, this Court would not have entertained the present petition in the light of the fact that the proceedings in the Appeal are already pending before the CGIT. However, it is submitted that the post of Presiding Officer of CGIT-II is vacant and an additional charge has been given to CGIT, Nagpur. It appears that only camp hearings are being conducted due to non-availability of a regular Presiding Officer in CGIT-II. It is on account of these peculiar circumstances that this Court is inclined to entertain the present petition.

5) Perusal of the rojnama in the Appeal filed by the Petitioner would indicate that hearing of the application under Section 7O for stay of the order commenced on 12 November 2024 and after conducting the hearing, the proceedings were adjourned to 9 December 2024 for filing of citations. On 9 December 2024, the rojnama records that the application was '*fixed for orders on 7-O and stay application on 6.1.2025*'. The rojnama of 9 December 2024 creates an impression as if the application for waiver and stay were closed for orders which was supposed to be passed on 6 January 2025. However, the subsequent rojnama indicates that the application was again fixed for hearing from time to time. Be that as it may. The application for waiver and stay is kept pending before the Tribunal for unusually long period of time without passing any order therein. This compels this Court to exercise extraordinary jurisdiction under Article 227 of the Constitution of India and do something which the Tribunal was required to do under the Act. It is not known as to whether the Tribunal would be in a position to pass order on Section 7-O application. In the meantime, the RPFC is proceeding ahead for recovery of the amount.

6) Under the order dated 18 September 2023 passed under Section 7A of the Act, the liability of the Petitioner is ascertained at Rs.1,73,39,748/-. Considering the peculiar facts and circumstances of the case, in my view, ends of justice would be met if Petitioner is directed to deposit with the Respondent-RPFC an amount equal to 25% of the ascertained amount as condition for grant of stay to the order dated 18 September 2023. This is done both on account of peculiar circumstances of the case, as well as keeping in mind the provisions of the new Labour Code. It is clarified that this order is being passed in peculiar facts and circumstances of the case after noticing failure on the part of the Tribunal to decide application for stay and application for waiver under Section 7Q for a considerable period of time. The order shall not be construed to mean as if it would be a precedent for filing of direct petitions before this Court for seeking stay of orders passed under Section 7A of the EPF Act. Such direction would obviate any further hearings on application for stay, as well as application for waiver under Section 7O of the EPF Act and the Appeal itself can be taken up for hearing and decision.

7) It appears that the Petitioner has apparently handed over cheque of amount of Rs. 10,00,000/- with the RPFC on 15 June 2026. The Petitioner would have credit of the said amount against deposit of 25% amount directed by this Court.

8) In the facts and circumstances of this case, I proceed to pass the following order :

(i) The Petitioner shall deposit with the Respondent-RPFC 25% of the amount ascertained under the order dated 18

September 2023 (*less Rs.10,00,000/-*) within a period of one week. Subject to the deposit of the indicated amount within the stipulated time, there shall be stay to the order dated 18 September 2023 during pendency of the Appeal.

(ii) The CGIT shall accordingly proceed to pass a formal order disposing of application for stay, as well as, application for waiver under Section 7O of the EPF Act.

(iii) The Tribunal shall proceed to decide the Appeal on its own merits without being influenced by any of the observations made in the present order.

9) With the above directions, the Writ Petition is **disposed of**.

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signed by
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SHAILESH
SAWANT
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[SANDEEP V. MARNE, J.]