

**BEFORE CENTRAL GOVERNMENT INDUSTRIAL TRIBUNAL  
CUM LABOUR COURT, DELHI**

**Appeal no. D-1/03/2024**

**M/s. Green Land Telecom Services Pvt. Ltd. vs. RPFC/APFC Delhi  
North and Anr. ....Appellant**

Through:- Sh. Ghanshyam Mishra, Sh. Ajit Upadhyaya and  
Sh. Tathagat, Ld. counsels for the appellant.


**Vs.**

**RPFC, Delhi (North) .....Respondent**

Through:- Sh. S.N. Mahanta, Ld. counsel for respondent no.-  
1 (RPFC).

**Order-Oral**


**Order Dated:- 26.05.2025**



The appellant has pressed the present application under section 7-O of the **Employees Provident Fund and Misc. Provisions Act, 1952 (Hereinafter referred as 'the Act')**, filed along with the appeal, seeking waiver/reduction of the pre-deposit amount, on the ground that it would cause undue hardship.

It is the appellant's case that the enquiry under section 7A was conducted in an arbitrary manner and without proper consideration of the documents and records submitted by the appellant establishment to respondent no.-1. It is further alleged that the inquiry officer travelled beyond his jurisdiction in passing the impugned orders by deciding the issues related to employment, wages, and membership of unidentified persons, making it null and void in the eyes of law. It is further submitted that the impugned order is a non-speaking order.

The appellant has also submitted that, due to the deteriorating financial conditions, it was compelled to shut down its business and had, in fact, , applied for the surrender of its P.F. code number vide request letter dated 01.10.2020. Since 2019, there has been no work-force, as the principle employer stopped assigning work to the appellant. In support of his plea, the appellant filed an additional affidavit along with relevant documents, including the dealer agreement between the appellant and respondent no.-2 (Mahindra & Mahindra, Powerol Division) and a copy of application dated 01.10.2020 for surrender of the EPF code.



In response, respondent no.-1 filed a reply opposing the appellant's prayer. The respondent that before filing an appeal, there is a precondition of deposit of 75% of the amount due from the employer as determined by an officer referred to in section 7A. It is further submitted that the dues were assessed by passing a reasoned order and identification of employees is not an issue in the instant case. The dues are determined on the various allowances given to the PF beneficiaries. Hence, the respondent submitted that without pre-deposit of the assessed dues, the appeal is not maintainable.

I have heard the arguments advanced by both parties. Before proceeding further, text of rule 07 (2) of Employees' Provident Fund Appellate Tribunal (Procedure) Rules, 1997 is required to be reproduced herein:

*(2) Any person aggrieved by a notification issued by the Central Government or an order passed by the Central Government or any other authority under the Act, may within 60 days from the date of issue of the notification/order, prefer an appeal to the Tribunal. Provided that the Tribunal may if it is satisfied that the appellant was prevented by sufficient cause from preferring the appeal*

*within the prescribed period, extend the said period by a further period of 60 days.*

*Provided further that no appeal by the employer shall be entertained by the Tribunal unless he has deposited with the Tribunal a Demand Draft payable in the Fund and bearing 75% of the amount due from him as determined under Section 7-A.*

*Provided also that the Tribunal may for reasons to be recorded in writing, waive or reduce the amount to be deposited under Section 7-O.*

From the above provision, it is clear that before an appeal is entertained, the appellant is required to deposit 75% of the assessed amount. However, the proviso of this rule grants this tribunal the discretion to waive off or reduce the amount to be deposited under section 7-O.

Considering the circumstances herein, if the appellant is forced to deposit 75% of the assessed amount and the same is waived later, it would involve a lengthy process of deposit and refund of the amount. Therefore, a reasonable parameter has to be considered before ordering the amount of pre-deposit as a condition for entertaining the appeal.

The impugned order dated 05.09.2019 was passed on the ground that the appellant had been depositing less than the required PF contributions. Therefore, the assessing officer after taking this fact into consideration, had directed the appellant to deposit an amount of Rs. 66,96,376/- for the period from January 2018 to March 2019. This assessment includes PF contributions on various allowances, which according to the appellant do not fall within the scope of 'basic wages'.

It is a matter of fact that the appellant has remained non-functional 2019 and formally surrendered its EPF code in 2020, its financial condition has been very weak. Whole of the respondent's



case of the respondent is based upon a judgment of **Regional Provident Fund Commissioner, West Bengal and Ors. vs. Vivekananda Vidya Mandir and Ors [2005(2)LLN.214]** passed by the Supreme Court of India, which according to the appellant has prospective effect.

In view of the above fact that the establishment is closed, the EPF code was surrendered in 2020, and the financial condition of the appellant remains weak, it is considered appropriate that the appellant be directed to deposit a sum of Rs.15,00,000/- (Rs. Fifteen Lakhs Only) within six weeks of passing of this order before the registry of this tribunal by way of FDR favouring 'Registrar CGIT' initially for a period of one year, having auto-renewed mode thereafter. Put up on 08.07.2025 for reporting compliance. Meanwhile, interim orders to continue till the next date of hearing.



(Atul Kumar Garg)  
Presiding Officer