


**BEFORE CENTRAL GOVERNMENT INDUSTRIAL TRIBUNAL CUM LABOUR  
COURT, No. 1/EPFAT, DELHI**

**D-1/23/2024**

**M/s Mahagun India Pvt. Ltd. vs. APFC/RPFC, Delhi (East).**

Present: Sh. S.K. Gupta, Ld. Counsel for the appellant.  
Sh. S.N. Mahanta, Ld. Counsel for the respondent.

**Order dated- 01.12.2025**



1. This order shall dispose of an application filed by the appellant **under section 7-O of the Act (hereinafter referred to as "the Act")**, wherein he has stated the condition of pre-deposit before entertaining the appeal under section 7A of the Act be waived because prima-facie case exists in his favour. He has assailed the said order on several grounds, interalia; that respondent had passed the impugned order without considering his submissions. Impugned order passed by the respondent is perverse and contrary to the provisions of the Act of 1952, particularly legislative provision of the Act, 1952 as well as the relevant paragraphs of the Scheme, 1952. The Regional Provident Fund Commissioner has the power to identify the actual beneficiaries; however without identifying the beneficiaries, he has levied the PF dues in respect of workers of an uncovered contractor. There is a misuse of jurisdiction and authority on the part of the respondent. Respondent has not provided any opportunity to cross-examine the Enforcement Officer, who determined the EPF dues on ad-hoc basis. Moreover, the appellant has stated that he is under financial difficulty in depositing the dues and therefore seeks exemption from depositing any amount under section 7-O of the Act.

2. On the other hand, respondent has filed the reply, opposing the prayer stating that appellant is required to deposit at least 75% of the assessed

amount. He has further submitted that appellant has visibly failed to establish that his case is an exceptional case which warrants exercise of discretionary power to reduce the amount of pre-deposit. He has relied upon the Judgment of **Gujarat Agro Industry Corporation Ltd. vs. Municipal Corporation of city of Ahmedabad (1999) 4 SCC 468 (AIR 1999 SC 1818)**, wherein it was held-

*"Right to appeal is neither an absolute right nor an ingredient of natural justice the principles of which must be followed in all judicial and quasi-judicial adjudications."*

He submits that application be dismissed and the appellant be directed to deposit the 75% of the assessed amount, which is mandatory in nature.

3. I have heard the arguments at par and perused the record. Before proceeding further provision of Section 7-O of the Act is required to be reproduced herein:

**7-O. Deposit of amount due, on filing appeal.—No appeal by the employer shall be entertained by a Tribunal unless he has deposited with it seventy-five per cent. of the amount due from him as determined by an officer referred to in section 7A:**

*Provided that the Tribunal may, for reasons to be recorded in writing, waive or reduce the amount to be deposited under this section*

4. From the above said provision, legislature has made it compulsory for pre-deposit 75% of the amount determined by the respondent under section 7A of the Act. However, at the same time, a provision has been made whereby the Tribunal has been given wide discretion to reduce or waive the pre-deposit amount, depending on the circumstances.

5. Now, coming to the appeal as well as the order. Order under section 7-A was initiated for the period 04/2018 to 12/2021. The assessed dues was to



the tune of Rs. 6,27,44,486/- (Rs. Six Crore Twenty-Seven Lakh Forty-Four Thousand Four Hundred Eighty-Six Only). It has been categorized into three tables i.e. Table B, C, and D. Table B pertains to the employees engaged by uncovered contractors whose PF liability falls upon the principle employer and it has been around Rs. 5,74,29,026/- (Rs. Five Crore Seventy-Four Lakh Twenty-Nine Thousand Twenty-Six Only). Table-C relates to the differential amount of the salary book in the balance sheet and shown in the due & paid statement submitted by the establishment which is around Rs. 40,58,304/- (Rs. Forty Lakh Fifty-Eight Thousand Three Hundred Four Only). Table-D is in respect of the difference of the wages on which the PF contribution has been deposited less and it has taken into account of four components comprising of the difference allowance that come in around of Rs. 12,56,156/- (Rs. Twelve Lakh Fifty-Six Thousand One Hundred Fifty-Six Only).

6. So far so, the Table-A is concerned that has been in respect of the covered contractor engaged by the appellant and the separate enquiry has been ordered to be initiated to the respective office where the covered contractor has obtained a separate EPF Code. Amount relates to the uncovered contractor, where the employees are unidentifiable and the PF has been determined based on the amount paid to the petty contractor by taking the limit of fifteen thousand.

7. Considering the fact that appeal is at initial stage of admission and overall circumstances where the beneficiaries is unidentifiable, total case of waiver is not made out. However, in view of the above facts, appellant is directed to deposit the 40% of the assessed amount by way of **FDR** favouring '**Registrar CGIT**' initially for a period of one year having auto renewal mode, within six weeks from today. In the meanwhile, interim orders to continue till next date of hearing.

(Presiding Officer)