# BEFORE THE PRESIDING OFFICER, CENTRAL GOVERNMENT INDUSTRIAL TRIBUNAL CUM LABOUR COURT-II, ROUSE AVENUE, DISTRICT COURT COMPLEX, DELHI.

Present:

Smt. Pranita Mohanty,

Presiding Officer, C.G.I.T.-Cum-Labour

Court-II, New Delhi.

#### ATA No. D-1/37/2022

M/s. Civcon Engineering Contracting India Pvt. Ltd.

Appellant

VS.

APFC, Delhi (C)

Respondent

#### **ORDER DATED :-02/08/2022**

Present:- Shri T.P.S Kang, Ld. Counsel for the appellant.

Shri B B Pradhan, Ld. Counsel for the Respondent.

This order deals with appellant's prayer for condo nation of delay, admission of the appeal and stay on the execution of the impugned orders pending disposal of the appeal.

The appeal challenges the orders dated, 03/06/2019, passed by the APFC Delhi (North) u/s 7A of the EPF&MP Act, wherein the appellant has been directed to deposit Rs. 12,55,993/-towards the unremitted EPF dues of it's employees for the period 12/2006 to 03/2012.

Notice being served on the respondent, learned counsel Shri B.B Pradhan appeared and participated in the hearing. A separate application has been filed by the appellant for condo nation of delay.

Perusal of the record and office note of the registry reveals that the impugned order was passed on 03.06.2019 and the appeal has been filed on 20.05.2022, i.e beyond the prescribed period of limitation. No separate petition has been filed by the appellant praying condo nation of delay. Another prayer has been made for stay on the execution of the impugned orders passed u/s 7A of The Act pending disposal of the appeal. Appellant has filed several documents to support the stand taken in the appeal.

Since the registry has pointed out about the inordinate delay in filing of the appeal and Respondent's counsel took serious objection to the same, it is desirable that the prayer for condo nation of delay be dealt at the first instance.

It has been contended that the company against which the impugned order has been passed was not aware of the impugned order till service of the recovery notice. The representative of the establishment on inquiry came to know about the impugned order passed u/s 7A of The Act and on further inquiry learnt that the order was sent in the wrong address. Despite several request for supply of the impugned order, the Respondent did not oblige, on the contrary the bank account was attached. Finding no other way the appellant establishment approached The Hon'ble High Court of Delhi by filing WPC No 9530/2020 sought a direction to the respondent for supply of the order copy. Pursuant to the said order dt4th December 2020, the copy of the order was supplied. Thus the appeal has been filed within the period of limitation from the date of knowledge.

The Registry of this Tribunal has pointed out that the appeal has been filed after an in ordinate delay. The learned counsel for the respondent during course of his argument submitted that the impugned order was passed on 3/6/2019 and on the same day it was dispatched in the address as mentioned at the bottom of the order. He has instruction from the department that the order sent by post never returned undelivered. He also argued that the order of the Hon'ble High Court was for supply of the order passed u/s 14 B of the Act and not the impugned order when the Act provides a time limit of 60 days for filing the appeal, which can be extended for a further period of 60 days in appropriate cases the Tribunal can not condone the delay beyond that period.

To support his contention he placed reliance in the case of C/M Angoori Devi Inter College and another VS State of U P & three others decided by the Hon'ble High Court of Allhabad in writ case no27906/2019, in which it has been held that:-

"when a time limit has been prescribed by the rule making authority for filing an appeal ,and also the extended period having been provided, and no further extension thereof having been envisaged or contemplated, the appellate authority cannot grant any further extension beyond the statutory period of limitation . He has also placed reliance in the case of RPFC VS EPFAT, decided by the HON'BLE Punjab & Haryana High Court in CWP No5201/2000.

In his reply the learned counsel for the appellant submitted that in fact there has been no delay in filing the appeal .While pointing out the defects and discrepancies in the impugned order and recovery notice he submitted that the appellant has a strong arguable case in the appeal and the Tribunal should not act in a hyper technical manner in dealing with the delay condonation

prayer. In this regard he has placed reliance in the case of **N Balkrishnan VS M Krishnamurthy** (**AIR1998 SC3222**) to argue that Rule of limitation are not meant to destroy the right of the parties. He also submitted that the impugned order has been passed behind the back of the appellant and the appellant has a fair chance of succeeding in the appeal. Hence the Tribunal should consider the circumstances shown for condo nation of delay and admit the appeal.

Since pursuant to the order dated 4/12 2020, the copy of the order was supplied to the appellant on 28/01/2021 and the appeal was filed on 20/05/2022, and for the limitation extended by the Hon'ble SC in suo motto WPC no 3/2020, it is held to be a fit case for condonation of delay. Accordingly the delay is condoned. The objection that the order by the Hon'ble High Court of Delhi in WPC NO. 9530 of 2020 was passed in respect of the order passed by the Commissioner u/s 14B is not accepted since, the order of the Hon'ble High Court clearly shows that direction was given for supply of the copy of the orders passed on 03.06.2019 and the record reveals that on 03.06.2019 two separate orders u/s 7A challenged in this appeal and another order u/s 14B was passed by the commissioner. Hence, it cannot be said that the order of the Hon'ble High Court in giving direction for supply of the copy of the order and giving liberty to the establishment to approach the tribunal was not only in respect of the order passed u/s 14B but also in respect of the order passed u/s 7A of the Act.

Now it is to be considered if the circumstances justify waiver of condition of pre deposit provided under section 7O of The Act.

The appellant has stated that the commissioner conducted the inquiry behind the back of the appellant and passed a non speaking and un reasonable order in which no finding has been given on the identification of the beneficiaries in respect of whom the establishment defaulted in remittance. Appellant has also argued that the calculation of dues has been made taking the allowances in to consideration in gross violation of law pronounced in the case of Vivekanand Vidya Mandir by the Hon'ble SC. He thereby submitted that the appellant has a strong case to argue in the appeal. Unless the appeal is admitted waiving the condition of pre deposit, with a direction of interim stay on the impugned order, serious prejudice would be caused to the appellant and the relief sought for would become illusory.

Of course the appellant strenuously canvassed the grounds of the appeal and the defects in the impugned order to make this tribunal believe at this stage about it's fair chance of success. But the Tribunal at this stage is not expected to make a roving inquiry on the merit of the appeal when respondent is yet to file it's objection.

In this case the period of default as seen from the impugned order is from 12/2006 to 03/2012 i.e for a period of more than six years and the amount assessed is equally big. Thus on hearing the argument advanced, it is held that the circumstances do not justify total waiver of the condition of pre deposit, but ends of justice would be served by reducing the same to 40% of the assessed amount. Accordingly it is directed that the appellant shall deposit 40% of the assessed amount towards compliance of the provisions of sec 7O of the Act by depositing FDR in the name of the Registrar CGIT initially for a period of one year with provision of auto renewal, within six weeks from the date of communication of the order failing which the appeal shall not be admitted. Call on 13.09.2022 for compliance of the direction.

## BEFORE THE PRESIDING OFFICER, CENTRAL GOVERNMENT INDUSTRIAL TRIBUNAL CUM LABOUR COURT-II, ROUSE AVENUE, DISTRICT COURT COMPLEX, DELHI.

Present:

Smt. Pranita Mohanty, Presiding Officer, C.G.I.T.-Cum-Labour Court-II, New Delhi.

#### ATA No. D-1/38/2022

M/s. Civcon Engineering Contracting India Pvt. Ltd.

Appellant

VS.

APFC, Delhi (C)

Respondent

**ORDER DATED :-02/08/2022** 

Present:-

Shri T.P.S Kang, Ld. Counsel for the appellant. Shri B B Pradhan, Ld. Counsel for the Respondent.

This order deals with appellant's prayer for condonation of delay, admission of the appeal and stay on the execution of the impugned orders pending disposal of the appeal.

The appeal challenges the orders dated, 03/06/2019, passed by the APFC Delhi (North) u/s 14B and 7Q of the EPF & MP Act, wherein the appellant has been directed to deposit Rs. 579756 as damage and Rs. 221613/- as interest/- for the period 04/1996 to 03/2014. A composite order has been passed by the commissioner.

Notice being served on the respondent, learned counsel Shri B.B Pradhan appeared and participated in the hearing. A separate application has been filed by the appellant for condo nation of delay.

Perusal of the record and office note of the registry reveals that the impugned order was passed on 03.06.2019 and the appeal has been filed on 20.05.2022, i.e beyond the prescribed period of limitation. No separate petition has been filed by the appellant praying condonation of delay. Another prayer has been made for stay on the execution of the impugned orders passed u/s 14B and 7Q of The Act pending disposal of the appeal. Appellant has filed several documents to support the stand taken in the appeal.

Since the registry has pointed out about the inordinate delay in filing of the appeal and Respondent's counsel took serious objection to the same, it is desirable that the prayer for condonation of delay be dealt at the first instance.

It has been contended that the company against which the impugned order has been passed was not aware of the impugned order till service of the recovery notice. The representative of the establishment on inquiry came to know about the impugned order passed u/s 14B and 7Q of The Act and on further inquiry learnt that the order was sent in the wrong address. Despite several request for supply of the impugned order, the Respondent did not oblige, on the contrary the bank account was attached. Finding no other way the appellant establishment approached The Hon'ble High Court of Delhi by filing WPC No 9530/2020 sought a direction to the respondent for supply of the order copy. Pursuant to the said order dated 4th December 2020, the copy of the order was supplied. Thus the appeal has been filed within the period of limitation from the date of knowledge.

The Registry of this Tribunal has pointed out that the appeal has been filed after an in ordinate delay. The learned counsel for the respondent during course of his argument submitted that the impugned order was passed on 3/6/2019 and on the same day it was dispatched in the address as mentioned at the bottom of the order. He has instruction from the department that the order sent by post never returned undelivered. When the Act provides a time limit of 60 days for filing the appeal, which can be extended for a further period of 60 days in appropriate cases the Tribunal cannot condone the delay beyond that period.

To support his contention he placed reliance in the case of C/M Angoori Devi Inter College and another VS State of U P & three others decided by the Hon'ble High Court of Allhabad in writ case no27906/2019, in which it has been held that:-

"when a time limit has been prescribed by the rule making authority for filing an appeal ,and also the extended period having been provided, and no further extension thereof having been envisaged or contemplated, the appellate authority cannot grant any further extension beyond the statutory period of limitation. He has also placed reliance in the case of RPFC VS EPFAT, decided by the Hon'ble Punjab & Haryana High Court in CWP No5201/2000.

In his reply the learned counsel for the appellant submitted that in fact there has been no delay in filing the appeal .While pointing out the defects and discrepancies in the impugned order and recovery notice he submitted that the appellant has a strong arguable case in the appeal and the Tribunal should not act in a hyper technical manner in dealing with the delay condonation prayer. In this regard he has placed reliance in the case of **N Balkrishnan VS M Krishnamurthy** (**AIR1998 SC3222**) to argue that Rule of limitation are not meant to destroy the right of the parties. He also submitted that the impugned order has been passed behind the back of the appellant and the appellant has a fair chance of succeeding in the appeal. Hence the Tribunal should consider the circumstances shown for condo nation of delay and admit the appeal.

Since pursuant to the order dated 4/12 2020, the copy of the order was supplied to the appellant on 28/01/2021 and the appeal was filed on 20/05/2022, and for the limitation extended by the Hon'ble SC in suo motto WPC No. 3/2020, it is held to be a fit case for condonation of delay. Accordingly the delay is condoned. Now it is to be considered if the circumstances justify stay on the execution of the impugned order passed u/s 14B and 7Q the Act.

The appellant has stated that the commissioner conducted the inquiry behind the back of the appellant and passed a non speaking and un reasonable order in which no finding has been given on the mensrea of the appellant behind the delay in remittance. It has also been pleaded that the determining authority never gave any opportunity of hearing to the appellant establishment. Relying upon the judgment of **Bharat Heavy Electricals limited vs. ESIC (2008) 3SCC 247** he submitted that for denial of opportunity to setup a defence the impugned order is not sustainable in the eye of law. Unless the appeal is admitted and an interim order of stay would be passed serious prejudice would be caused to the appellant and the relief sought for would become illusory.

Of course the appellant strenuously canvassed the grounds of the appeal and the defects in the impugned order to make this tribunal believe at this stage about it's fair chance of success. But the Tribunal at this stage is not expected to make a roving inquiry on the merit of the appeal when respondent is yet to file it's objection. In this case the period of default as seen from the impugned order is from 04/1996 to 03/2014 i.e for a period of more than eighteen years and the amount assessed is equally big. Thus on hearing the argument advanced, it is held that the circumstances do not justify unconditional stay of the impugned order passed u/s 14B and 7Q of the Act. The interest of justice would be served by directing the appellant to deposit 40% of the amount assessed together as damage and interest as a pre condition for stay of the impugned order. The delay being condoned the appeal is admitted. The appellant is directed to comply the direction in respect of the deposit of 40% within 4 weeks from the date of this order failing which there would not be any stay on the impugned order. Call on 06.09.2022 for compliance of the direction and filing of reply by the respondent.

## THE HON'BLE PRESIDING OFFICER, CENTRAL GOVERNMENT INDUSTRIAL TRIBUNAL CUM LABOUR COURT-II, ROUSE AVENUE, DISTRICT COURT COMPLEX, DELHI.

Present:

Smt. Pranita Mohanty, Presiding Officer, C.G.I.T.-Cum-Labour Court-II, New Delhi.

#### ATA No. D-1/08/2020

M/S. V5 Global Services Pvt. Ltd.

**Appellant** 

Versus

RPFC-II, Delhi (East) Respondent

#### **ORDER DATED-02.08.2022**

Present: Shri Krishan Kartik, Ld. Counsel for the Appellant.

Shri Rajesh Kumar, Ld. Counsel for the Respondent.

The appeal challenges the orders dated 03/11/2019 passed by the APFC Delhi East u/s 14B and 7Q of the EPF&MP Act communicated on 11/12/2019, wherein the appellant has been directed to deposit Rs 301750/- as damage and Rs. 197832/- as interest for delayed remittance of EPF dues of it's employees for the period 10/2018 to 04/2019.

Notice being served on the respondent, learned counsel for the respondent appeared and participated in the hearing resisting the prayer for grant of stay on the execution of the impugned order. He has also filed written objection to the petition for interim stay as filed by the appellant.

Perusal of the record and office note of the registry reveals that the impugned order was passed and communicated to the establishment on 11/12/2019 and the appeal was filed on 27/01/2020, i.e within the period of limitation. There being no other defect the appeal is admitted.

The appellant has stated that the impugned orders are illegal, arbitrary and outcome of a composite proceeding, though two separate orders have been passed mechanically. He also submitted that the notice of the inquiry was for the period 10/2018 to 04/2019, but the calculation sheet was supplied for the period

10/2017 to 2/2019. The establishment through its representative indicating mitigating submitted written statement the circumstances. But the said submission was never considered. The other argument advanced is that the commissioner without assigning reason for levying damage at the maximum rate passed the impugned order in a fanciful manner. Copy of the coverage letter has been filed to support the argument. The authority of the assistant PF Commissioner for levying damage u/s 14B has also been challenged. Thus it is argued that the appellant has a strong arguable case in the appeal. Unless the impugned orders would be stayed, the relief sought in the appeal would become illusory. It is also pointed out that the orders though have been separately passed u/s 14B and 7Q, in fact it is a composite order being passed in a common proceeding. He also pointed out that during participation in the inquiry, dispute was raised with regard to multiple entries in the calculation sheet by filing a written objection. But nowhere in the order the finding of the commissioner in that respect has been mentioned. The appellant thereby submitted that for the patent illegality visible in the impugned order, an interim order of stay be passed against the execution of both the orders.

In his reply the learned counsel for the respondent submitted that the impugned order has been passed imposing damage for delay in remittance which spans over more than 6 months depriving the employees of their lawful rights. He also submitted that any order of stay on the execution of the impugned order shall be prejudicial to the employees and defeat the purpose of the legislation. Arguing that the orders being separately passed cannot be treated as Composite order, he submitted that the appeal cannot be admitted in respect of the 7Q order. He also relied upon the interim stay granted by the Hon'ble Division Bench of the Delhi High Court on the judgment of the Single Judge of Hon'ble High Court of Delhi in the case of Gourav Enterprises, wherein it was held that two separate orders even though passed u/s 14B and 7Q of the Act would be treated as composite orders if the same are the outcome of a composite proceeding. The learned counsel for the respondent thus argued that the appeal challenging the order passed u/s 7Q of the Act being not maintainable be dismissed.

The reply submission made by the appellant is that the establishment should not have been saddled with the damage when the orders were passed in a mechanical manner without considering the objection taken in the written submission.

As seen from the impugned orders no reason has been assigned by the commissioner for imposing damage at the highest rate. Only factor which drove the commissioner for passing the impugned order is the report of the EO.

On hearing the submission made by both the counsels the factors which are required to be considered for passing the order of stay, include the period of default and the amount of damage levied in the impugned order.

In this case the period of default as seen from the impugned order spreads over 6 months but the damage imposed is huge. The commissioner has not assigned any reason supporting his finding and how the objection and dispute raised were met.

All these aspects no doubt make out a strong arguable case for the appellant. If there would not be a stay on the execution of the impugned order passed u/s 14B of the Act, certainly that would cause undue hardship to the appellant. But at the same time it is held that the stay shall not be unconditional. Hence, it is directed that the appellant shall deposit 30 % of the assessed damage, as a pre condition for grant of stay till disposal of the appeal, within 4 weeks from the date of communication of the order, failing which there would be no stay on the impugned order passed u/s 14B. The said amount shall be deposited by the appellant by way of Challan. It is directed that there would not be interim stay on the execution of the order calculating interest u/s 7Q since at this stage no opinion can be formed on the composite nature of the orders passed. Call the matter 13.09.2022 for compliance of this direction. The respondent is directed not to take any coercive action against the appellant in respect of the impugned order passed u/s 14B of the Act till the next date.

#### Appeal No. D-1/09/2018

M/s. Perfect Computer Forms Pvt. Ltd. Appellant Through Sh.Kapil Hans & Sh. Puneet Saini, A/R for the Appellant

Vs.

APFC, Delhi Respondent
Through Sh. Rajesh Kumar, Ld. Counsel for the Respondent

#### ORDER DATED :- 02/08/2022

The Ld. Counsel for the Respondent has filed the reply. Taken on record. Copy of the same stands supplied to the Ld. Counsel for the Appellant.

Further, there is one application filed on behalf of the Ld. Counsel for the Respondent for seeking permission to file additional affidavit/ reply. Copy of the same supplied to the Ld. Counsel for the Appellant who wishes to file reply to the said application of the Respondent. Accordingly, list the matter on 06.09.2022 for filing reply of the said application and consideration of the same.

#### Appeal No. D-1/30/2018

M/s. The Institute of Charter Accountants of India Through Sh. Raj Kumar, A/R for the Appellant Appellant

Vs.

APFC, Delhi (S) Respondent
Through Sh. Rajesh Kumar, Ld. Counsel for the Respondent

ORDER DATED :- 02/08/2022

The Ld. Counsel for the Respondent wants some more to file the reply. List the matter on 06.09.2022 for filing reply by the Ld. Counsel for the Respondent as a last chance.

#### Appeal No. D-1/17/2021

M/s. Rajiv Gandhi Cancer Institute & Research Appellant
Through Ms. Akanksha Narang, Ld. Counsel for the Appellant

Vs.

RPFC, Delhi (N) Respondent
Through Sh. S.N Mahanta, Ld. Counsel for the Respondent

#### ORDER DATED :- 02/08/2022

The Ld. Counsel for the Respondent wants some more to file the reply. List the matter on 06.09.2022 for filing reply by the Ld. Counsel for the Respondent as a last chance.

#### Appeal No. D-1/46/2019

M/s. G.A Digital Web Word Pvt. Ltd.
Through Sh., Ld. Counsel for the Appellant

Appellant

Vs.

RPFC-I,Delhi (E)
Through Sh. Ld. Counsel for the Respondent

Respondent

#### ORDER DATED :- 02/08/2022

The Ld. Counsel for the Appellant has filed the compliance report of the order dated 29.07.2022 passed by this Tribunal. Accordingly, there shall be stay on recovery of the amount as mentioned in the impugned order till finalization of the appeal. List the matter on 27.09.2022 for final arguments.

#### Appeal No. D-2/29/2022

M/s. IL & FS Engineering & Construction Company Through Sh. S.K Gupta, Ld. Counsel for the Appellant

Appellant

Vs.

RPFC- Gurugram East

Respondent

Through Ms. Asha Gopalan Nair, Ld. Counsel for the Respondent

#### ORDER DATED :- 02/08/2022

Arguments on the admission of the appeal heard in part. The Ld. Counsel for the Respondent wants some time to file the written notes before arguing the matter. Permission to file the written notes granted. Accordingly, List the matter on 18.08.2022 for continuation of the arguments on admission of the appeal. Meanwhile, the Respondent authority is directed not take any coercive measure for recovery of the amount as mentioned in the impugned order till next date of hearing.

M/s. Nilkamal Security Services Appellant
Through Sh. Ravi Ranjan, Ld. Counsel for the Appellant

Vs.

APFC, Noida Respondent Through Sh. Narender Kumar, Ld. Counsel for the Respondent

#### ORDER DATED :- 02/08/2022

The Ld. Counsel for the Respondent wants some more to file the reply. List the matter on 29.09.2022 for filing reply by the Ld. Counsel for the Respondent as a last chance.

M/s. Clixxo Broadband Pvt. Ltd.
Through Sh. Ravi Ranjan, Ld. Counsel for the Appellant

Appellant

Vs.

APFC, Noida Respondent

Through Sh. Narender Kumar, Ld. Counsel for the Respondent

ORDER DATED :- 02/08/2022

The Ld. Counsel for the Respondent wants some more to file the reply. List the matter on 29.09.2022 for filing reply by the Ld. Counsel for the Respondent as a last chance.

#### Appeal No. D-2/23/2021

M/s.N1 Media Consultancy Pvt. Ltd.
Through Sh. Gyan Prakash, Proxy Counsel for the Appellant

Appellant

Vs.

APFC, Noida Respondent
Through Sh. S.N Mahanta, Ld. Counsel for the Respondent

#### ORDER DATED :- 02/08/2022

The Ld. Counsel for the Respondent wants some more to file the reply. List the matter on 06.09.2022 for filing reply by the Ld. Counsel for the Respondent as a last chance.

#### Appeal No. D-1/42/2022

M/s. Eaton Power Quality Pvt. Ltd.
Through Sh. Ravi Mishra, Ld. Counsel for the Appellant

Appellant

Vs.

RPFC/APFC-Delhi(S)
Through None for the Respondent

Respondent

#### ORDER DATED :- 02/08/2022

The Ld. Counsel for the Appellant appeared before this Tribunal and mentioned the matter which is filed today with the Registry of this Tribunal. He submits that soft copy of the appeal stands filed with the Respondent and the hard copies of the appeal are filed with the registry. He also submitted that the Respondent has initiated the recovery proceedings and therefore the matter needs immediate intervention of this Tribunal. Perused. List the matter tomorrow i.e. 03.08.2022 at 2:00 PM for admission hearing. The Registry of this Tribunal is directed to inform the Respondent authority by way of notice through e-mail.

#### Appeal No. D-1/47/2019

M/s. G.A Digital Web Word

Appellant

Through Sh. Rahul Sharma, Ld. Counsel for the Appellant

Vs.

APFC, Delhi (E)

Respondent

Through Sh. S.N Mahanta, Ld. Counsel for the Respondent

#### ORDER DATED :- 02.08.2022

Matter came up by way of mentioning. List the matter tomorrow i.e. 03.08.2022 for consideration of the application filed for restoration of stay which was vacated by this tribunal due to non-compliance on the part of the Appellant.