

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

D-1/06/2025

M/s Gears & Gears vs. APFC/RPFC, Delhi North.

Present: Sh. Kumar Vikram, Ld. Counsel for the Appellant
Sh. B.B. Pradhan, Ld. Counsel for the Respondent.

Order Dated-28.05.2025

ORAL

Appellant counsel has pressed his application for seeking stay against the impugned order filed u/s **14B of the EPF & MP Act, 1952 (hereinafter referred as the Act)**. According to the appellant, respondent authority has imposed the damages to the tune of Rs.9,68,862/- for the period from 01/01/2017 to 16/11/2022. Ld. Counsel for the appellant submitted that the impugned order is contrary to law and facts of the case and therefore, the appellant inter alia raised important and substantial questions of law regarding infirmities, illegality as well as the power and jurisdiction of the APFC. It is also stated on behalf of the appellant that whether damages can be imposed in case of appellant where neither there is deliberate delay nor any men rea in depositing the PF dues after the due date and whether order passed in mechanical manner u/s 14B of the Act is legally correct or not. Taking this grounds, the appellant prays that the balance of convenience is in favour of the appellant and irreparable loss and injury will be caused to the appellant, if the present application for stay on operation of the impugned order is not allowed.

Per contra, Ld. Counsel for the respondent had opposed the prayer stating that the impugned order is speaking and well-reasoned order which has been passed after giving sufficient opportunities to the appellant establishment and also calculated the dues on the basis of delay remittance of PF dues. Relying upon the judgment passed by Delhi High Court in the matter of **Ascot Hotels & Resorts Pvt. Ltd. Vs. Assistance Provident Fund Commissioner, Jai Valaji Security Services (Regd.) Vs. APFC, Delhi (North) in LPA no. 880/2015 & by Allahbad High Court in Unitech Engineers (P.) Ltd. V. Regional Provident Fund date 28 May, 1999 (2000) ILLJ 620**, Ld. counsel for the respondent submitted that mere pendency of appeal would not prohibit the respondent authority to effect the recovery unless this tribunal

stays the recovery by interim order. He further stated that this tribunal is empowered to pass conditional orders while granting stay in the appeals preferred against the order passed u/s 14B & 7Q of the Act. It is also submitted on behalf of the respondent that the method of determining damage on the basis of table prescribed under the scheme is entirely reasonable as it shows that no officer under section 14B is acting arbitrarily and is following the reasonable guidelines. Thus, Id. counsel for the respondent prays that the appellant herein has failed to point out any unreasonableness or arbitrariness in the guidelines and therefore, he prayed to direct the appellant to deposit the assessed amount.

I have heard the argument at par. Considering the facts and circumstances, this tribunal is of the opinion that though the appellant has succeeded in establishing a prima facie case but no case for unconditional stay is made out. Therefore, the appellant is directed to deposit an amount of Rs.3,00,000/- by way of FDR favoring 'Registrar CGIT' initially for a period of one year having auto renewal mode thereafter, within a period of six weeks from the passing of the order. On deposit of the said amount within time prescribed, there shall be stay till finalization of the appeal. Put up on 23.07.2025 for filing of reply to the main appeal. In the meanwhile, interim orders to continue till next date of hearing.

Sd/-
Atul Kumar Garg
(Presiding Officer)