

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

Appeal no. D-2/45/2024

M/s. Rishi Vastra Vyapar Pvt. Ltd.Appellant

Through:- Sh. Prakash Kumar, Ld. Counsel for the appellant.

Vs.

RPFC, Delhi (North)Respondent

Through:- Sh. Chakradhar Panda, Ld. Counsel for the respondent.

Order Dated:- 06.04.2026

This order shall dispose of an application filed by the appellant under section 7-O of the **Employees Provident Fund and Misc. Provisions Act, 1952 (Hereinafter referred to as 'the Act')**, seeking waiver of the condition of pre-deposit for admission of the appeal on merits.

The appellant submits that it was shocked to receive a show cause notice dated 06.11.2024 on 12.12.2024. The appellant immediately contacted the respondent and inquired about the reason for issuance of the said show cause notice. The respondent then informed the appellant about passing of an order under section 7A dated 19.05.2023 for the period 08/2017 to 12/2018, holding the appellant liable to pay an amount of Rs. 13,71,844/-. Earlier, it was given to understand that the proceedings had been closed, and the appellant was asked to deposit an amount of Rs. 1,00,000/-, which was deposited even before the issuance of the show-cause notice. It is stated that the appellant has a good prima-facie case in its favour and the balance of convenience also lies in favour of the appellant. Therefore, the appellant prays that the condition of pre-deposit be waived.

The respondent filed a counter-reply to the present application and opposed the prayer of the appellant, narrating the provisions of section 7-O of the Act. It is stated that each and every averment made in the instant application is a bundle of lies, concoctions, and misleading facts, and the same is denied. The respondent submits that the appellant is covered under the provisions of the Act and has been allotted PF code no. GN/GGN/1671055. The appellant was found to have not deposited PF dues for the period from 10/2017 to 03/2018, and a show cause notice dated 24.08.2018 for non-compliance was also issued. As the appellant failed to deposit the PF dues, the amount was calculated to the tune of Rs. 14,01,030/-. It is also submitted that the matter was adjourned several times, but nobody appeared, and Form XI submitted by the appellant is also incomplete.

I have heard the arguments advanced by both parties and perused the record. Before proceeding further, 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.

From the above provision, it is evident that before entertaining an appeal, the appellant is required to deposit 75% of the amount assessed under section 7A of the Act. Further, the proviso below has given wide discretionary power to this Tribunal to either reduce or waive the amount to be deposited under this section if the reasons appear to be just and proper.

The impugned order in question is based on the premise that the appellant had shown certain employees as excluded employees. However, form XI submitted by the appellant was incomplete, as such, it was rejected. It is also a matter of fact that the respondent didn't try to contact those employees who had been shown as excluded employees, nor were they associated with the enquiry. During the course of the enquiry, the respondent only sought information from the appellant and didn't try to conclude the enquiry in a fair manner. The respondent could have joined those employees who were excluded employees, by determining their in-hand salary or their willingness to join the enquiry.

Considering the above facts on record, and the fact that the appellant has already deposited an amount of Rs. 1,00,000/- before issuance of the show cause notice, the application stands allowed without putting any further condition of deposit.

Accordingly, the matter is listed for filing of reply to the main appeal on 07.05.2026. The LCR is directed to be returned to the AR for the respondent.

Atul Kumar Garg
(Presiding Officer)