

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

D-1/04/2024

M/s G.K. Motel Pvt. Ltd. vs. APFC/RPFC, Delhi South

Present: Sh. S.K. Gupta, Ld. Counsel for the appellant
Sh. Chakradhar Panda, Ld. Counsel & Sh. Prateek Tyagi, A/R for
Respondent.

Order Dated-28.07.2025

This is an appeal preferred by the appellant establishment assailing the order dated 15.12.2023 passed under Section **14B & 7Q of the EPF & MP Act, 1952 (hereinafter referred as the Act)** wherein the respondent has assessed an amount of Rs.3,01,993 /- as damages and Rs. 1,48,944/- as interest for belated payment of PF dues for the period 10/2014 to 11/2017.

Along with the appeal, the appellant has also filed a misc. application seeking stay on execution of the impugned orders wherein a prayer is made for issuing a stay order after consideration of the grounds and facts as mentioned in the appeal. It is further prayed by the appellant that no reasonable opportunity of hearing was afforded to the appellant and the respondent had acted in the dual capacity of prosecutor as well as judge misusing the jurisdiction, power and authority. Appellant further stated that there is non-application of mind on the part of respondent and the impugned order has no finding that 'why the damages/ penalty should be imposed against the appellant'. It is further stated that the appellant establishment is closed in April, 2021 due to Covid-19. It is further stated on part of the appellant that there is no mens rea or actus-reus on part of the establishment and no mitigating circumstances of the appellant establishment were considered while passing the order.

Ld. Counsel for the respondent has opposed the said application by way of his written reply which is found on record. In the said reply the respondent has denied all the contentions cited in the appeal stating that a notice dated 26.06.2018 was issued to the appellant establishment and one Sh. Santosh Kumar Roy had appeared on 16.05.2019 before the respondent authority and asked for a copy of

the show cause notice which was provided to him affixing the next date of hearing on 24.05.2019. Thereafter, none appeared on more than five dates fixed thereafter. It is further stated on behalf of the respondent that the appellant is a regular defaulter which has been in the habit of depositing the dues belatedly.

I have heard the arguments presented by both the parties and perused the record. This is the appeal where the respondent had passed the order under section 14B & 7Q of the Act for levying the damages and interest for belated payment of EPF dues. The appeal is at the preliminary stage where the respondent is still required to file its reply to the main appeal and final arguments are yet to be heard. Therefore, at this stage this tribunal is required to look into the establishment of prima facie case by the appellant and the circumstances which resulted into belated payment of EPF dues.

In the present case, the appellant had appeared before the respondent authority and received the notice from the respondent authority. Further, the appellant has not filed any representation along with the appeal, which according to him was not considered by the respondent authority while passing the impugned orders.

Though the appellant has succeeded in establishing a prima facie case. Considering the fact that the plea is yet to be heard from both the sides. Appellant is directed to deposit an amount of Rs.1,00,000/- within four weeks by way of a FDR favoring 'Registrar CGIT' initially for a period of one year having auto renewal mode thereafter within eight weeks. In the meanwhile, interim order, to continue till next date of hearing. It is made clear that if the appellant fails to comply with the condition of stay within the period mentioned above, the stay granted shall be vacated and respondent authority will have the liberty to proceed for recovery of amount as per law. Put up on 03.09.2025 for reporting compliance as well as filing of reply to the main appeal by the respondent.

Sd/-
Atul Kumar Garg
(Presiding Officer)