

***THE HON'BLE JUSTICE MOUSHUMI BHATTACHARYA
AND**

***THE HON'BLE JUSTICE GADI PRAVEEN KUMAR**

+ WRIT APPEAL No.829 OF 2025

% 19-12-2025

Authority under Section 7A of EPF and MP
Act-cum-Regional PF Commissioner-I, Regional Office,
Patancheru, Sangareddy District and two Others

...Appellants

vs.

\$ M/s.Hartex Rubber Private Limited,
Rep. by its Vice President and Authorised
Signatory

... Respondent

!Counsel for the Appellants: Mr.Vijhay K Punna,
Standing Counsel

^Counsel for Respondents: Mr. Srikanth Hariharan

<Gist :

>Head Note :

? Cases referred

1. (2022) 7 SCC 429
2. (2021) 12 SCC 477
3. MANU/WB/0718/2014
4. MANU/GJ/1778/2023.

**IN THE HIGH COURT FOR THE STATE OF TELANGANA
AT HYDERABAD**

**THE HON'BLE JUSTICE MOUSHUMI BHATTACHARYA
AND
THE HON'BLE JUSTICE GADI PRAVEEN KUMAR**

WRIT APPEAL No.829 OF 2025

DATE: 19.12.2025

Between:

Authority under Section 7A of EPF and MP
Act-cum-Regional PF Commissioner-I, Regional Office,
Patancheru, Sangareddy District and two Others

.....Appellants

AND

M/s.Hartex Rubber Private Limited,
Rep. by its Vice President and Authorised
Signatory

.....Respondent

Mr.Vijhay K Punna, the learned Standing Counsel appearing for the appellants.

Mr.Srikanth Hariharan, learned counsel appearing for the respondent.

JUDGMENT: (Per Hon'ble Justice Moushumi Bhattacharya)

1. The Writ Appeal arises out of order dated 04.02.2025 passed by a learned Single Judge of this Court in W.P.No.2930 of 2025 filed by the respondent/writ petitioner.

2. The Writ Petition was filed by the respondent for a Writ of Mandamus for setting aside the order dated 14.11.2024 passed by the Industrial Tribunal-cum-Labour Court at Hyderabad in I.A.Nos.1 and 2 of 2024 in EPF Appeal No.43 of 2024 filed by the

respondent/writ petitioner. The EPF Appeal was preferred by the respondent challenging the order dated 08.08.2024 passed by the Regional Provident Fund Commissioner. The respondent filed I.A.Nos.1 and 2 of 2024 seeking waiver of the pre-deposit condition and also for stay of operation of the order dated 08.08.2024 passed by the Regional Provident Fund Commissioner.

3. The appellants claim to be aggrieved by the impugned order dated 04.02.2025 by which the order dated 14.11.2024 passed by the appellant No.3-Presiding Officer, Industrial Tribunal-cum-Labour Court, Hyderabad, was partly modified and the writ petitioner was directed to remit 15% of the determined amount under section 7A of The Employees' Provident Funds and Miscellaneous Provisions Act, 1952 ('1952 Act') within four weeks from the date of the order. The respondent No.3 (the appellant No.3 herein) was also directed to dispose of the EPF Appeal as expeditiously as possible till disposal of the EPF Appeal.

4. Learned counsel appearing for the appellants and the respondent/writ petitioner have argued on the maintainability of the Writ Appeal.

5. Learned counsel for the respondent/writ petitioner has urged that the appellants, who are Statutory Authorities under the 1952 Act, cannot maintain the present Appeal.

6. We have considered the submissions made on behalf of the parties and considered the import of the order passed by the appellant No.3 dated 14.11.2024 which led to filing of the Writ Petition which in turn culminated in the impugned order.

7. We first need to clarify the facts which are relevant to the issue of maintainability.

(i) The writ petitioner is the 'Employer' of an Establishment as defined under section 2(e) of the 1952 Act. Proceedings were initiated against the writ petitioner under section 7A by way of a notice dated 25.05.2022 determining the dues payable by the writ petitioner for the period from April, 2021 to November, 2021 and wages amounting to Rs.1,34,961/- as balance payable by the writ petitioner. Appellant No.1/The Regional Provident Fund Commissioner under section 7A of the 1952 Act determined that the writ petitioner/Employer should pay the balance amount of Rs.52,51,686/- for the specified period *vide* an order dated 08.08.2024. The Regional Provident Fund Commissioner

directed the writ petitioner/Employer of the Establishment to pay the aforesaid amount within 15 days from receipt of the order.

(ii) The writ petitioner challenged the said order dated 08.08.2024 before the respondent No.3 by way of an Appeal i.e., EPF Appeal No.43 of 2024 under Section 7-I of the 1952 Act. In the said appeal, the writ petitioner filed I.A.Nos.1 and 2 for waiver of the pre-deposit condition under section 7-O and also for stay of the operation of the order dated 08.08.2024 till disposal of the Appeal. The appellant No.3 herein disposed of the said IAs by an order dated 14.11.2024 holding that the Appeal would be admitted subject to remittance of 30% of the determined amount under section 7A of the 1952 Act within six weeks upon submission on record of the proof of remittance. The operation of the order dated 08.08.2024 was directed to be suspended till disposal of the EPF Appeal on compliance with the pre-deposit condition.

(iii) The respondent/writ petitioner approached the High Court against order dated 14.11.2024. By the impugned order, the learned Single Judge permitted the respondent/writ petitioner to remit 15% of the determined amount under section 7A of the 1952 Act before the appellant No.3 within four weeks from the date of the order.

8. The Court is informed that the respondent/writ petitioner has already deposited 15% of the determined amount before the appellant No.3 as directed by the learned Single Judge.

9. As stated above, the appellant No.1 is the Authority under section 7A of the 1952 Act-cum-Regional Provident Fund Commissioner; the appellant No.2 is the Enforcement Officer and the appellant No.3 is the Presiding Officer of the Central Government Industrial Tribunal-cum-Labour Court.

10. Section 7-I(1) of the 1952 Act provides for a person aggrieved by a notification issued by the Central Government, or an order passed by the Central Government or any Authority under section 1 (4), proviso to section 1(3), or section 3, or section 7A(1), or section 7B [except an order rejecting an application for review referred to in section 7B(5)], or section 7C, or section 14B, to prefer an appeal to the Tribunal against such order. Section 7-I(2) provides that every appeal under sub-section (1) therein shall be filed in such form and manner, within such time and along with such fees, as may be prescribed.

11. Section 7-O of the 1952 Act provides for 'deposit of amount due, on filing appeal'. The Section bars a Tribunal from entertaining any appeal filed by an Employer unless the

Employer deposits with it seventy-five per cent of the amount due from him as determined by an Officer referred to in section 7A.

The *proviso* to section 7-O is to the following effect:

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

12. It is clear from the above that the Tribunal is authorized to reduce or entirely waive the pre-deposit condition under section 7-O of the 1952 Act by recording the reason for such waiver/reduction in writing.

13. In the present case, the Tribunal (the appellant No.3) by order dated 14.11.2024, reduced the amount from 75% to 30% of the determined amount. The learned Single Judge further reduced the amount from 30% to 15%.

14. The Regional Provident Fund Commissioner, the Enforcement Officer and the Presiding Officer of the Tribunal are before us claiming to be aggrieved by the order passed by the learned Single Judge.

15. The appellant No.1 was the authority who passed the order dated 08.08.2024 holding that the respondent/writ petitioner (Employer) should pay Rs.52,51,686/-. This order was subject-matter of the respondent/writ petitioner's challenge

before the Tribunal. Hence, the appellant No.1 has no nexus with the order passed by the learned Single Judge, which admittedly, only adjudicated on the aspect of the pre-deposit condition for filing of an appeal under section 7-O of the 1952 Act read with the proviso thereto.

16. The proceedings dated 25.05.2022 issued by the appellant No.1 mention that the Enforcement Officer (appellant No.2 herein) conducted an inspection in respect of the Establishment of the writ petitioner. Thus, the Enforcement Officer/the appellant No.2 is several steps removed from the order passed by the learned Single Judge which only decided on the quantum of pre-deposit.

17. The appellant No.3 is the Presiding Officer who passed the order on 14.11.2024 in I.A.Nos.1 and 2 of 2024 in EPF Appeal No.43 of 2024 filed by the respondent/writ petitioner holding that the respondent/writ petitioner is entitled to remit 30% of the determined amount under section 7-O of the 1952 Act and that the admission of the Appeal would be subject to the respondent/writ petitioner remitting 30% of the determined amount within six weeks from the date of the order. The learned Single Judge further reduced this amount to 15% of the determined amount.

18. The learned Standing Counsel appearing for the appellants submits that the appellants are statutory Authorities and are aggrieved by the order of the learned Single Judge since the power to reduce the pre-deposit amount only rests with the Statutory Authority under section 7-O of the 1952 Act. Counsel further submits that the appellants are before this Court since the differential amount of 15% would translate to 'loss of revenue' for the said Authorities. It is also submitted that pre-deposit is mandatory under section 7-O of the 1952 Act. Counsel places two decisions of the Supreme Court in *Tirupati Steels v. Shubh Industrial Component*¹ and *Tecnimont (P) Ltd. v. State of Punjab*² to urge that the Writ Court cannot interfere with the mandate of pre-deposit for filing of an appeal under section 7-O.

19. We are unable to accept the stand taken on behalf of the appellants. We have already held that none of the three appellants can claim to be parties aggrieved, as understood in Writ jurisprudence, from the order of the learned Single Judge. The appellants are statutory Authorities under the 1952 Act and hence any contention of individual or collective grievance against reduction of the pre-deposit amount payable by the Employer is totally untenable and without basis.

¹ (2022) 7 SCC 429

² (2021) 12 SCC 477

20. The argument of 'loss of revenue' is vague and without any clarity as to who will suffer the 15% differential loss as a consequence of the impugned order. We could have understood if the employees of the establishment were the bearers of the loss or any of the appellant/Officer in his/her personal capacity. However, the appellants, being quasi-judicial authorities, cannot claim any personal injury caused by the reduction of the quantum of pre-deposit.

21. We also deem it fit to refer to some of the grounds taken by the appellants for filing of the Writ Appeal.

22. The grounds include violation of the 'Legislative Scheme and discipline of the 1952 Act', absence of evidence of financial hardship and ignoring binding precedents on the mandatory nature of pre-deposit. The appellants have also taken the ground of reduction of the pre-deposit as a 'dangerous precedent'. The primary ground is that the Tribunal rightly exercised its discretion in reducing the pre-deposit amount to 30%.

23. The grounds are wholly superfluous and distanced from the issue at hand. The alleged violation of statutory discipline, presumably under section 7-O of the 1952 Act (Ground-V) is misconceived since the proviso to section 7-O authorizes the

Tribunal not only to reduce the pre-deposit amount but to waive it altogether. Hence, the argument of the so called discipline of section 7-O is contrary to the proviso itself. Section 7-O also does not require the appellants to prove financial hardship for the reduction or waiver of the pre-deposit amount. Hence, Ground-VI is also without any statutory basis.

24. The 'Binding Precedent' relied upon by the appellants (Ground-VII) is equally misconceived.

25. *Tirupati Steels* (supra) involved the issue as to whether the requirement under section 19 of the Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act') with respect to the pre-deposit of 75% of the awarded amount is mandatory. The Supreme Court held that the requirement of pre-deposit under section 19 of the MSMED Act is mandatory and cannot be circumvented. Notably, unlike section 7-O of the 1952 Act, section 19 of the MSMED Act does not contain any proviso for reducing or waiving the requirement of making a pre-deposit of 75% by a buyer under the MSMED Act. Hence, *Tirupati Steels* (supra) would have no application to the facts of the present case. *Tecnimont (P) Ltd.* (supra) pertained to the inherent powers of appellate Court/authority to grant interim protection against imposition of the condition of pre-deposit of 25% of total amount

under section 62(5) of the Punjab Value Added Tax Act, 2005, for hearing of an appeal on merits. The said issue is wholly different from that in the present matter.

26. None of the decisions cited by the Counsel for the appellants relate to the 1952 Act and are, in any event, irrelevant to the issue of maintainability. The decisions cited by the appellants are certainly not binding precedents.

27. Further, the appellants are delegates of the Central Government for the purpose of implementing the provisions of the 1952 Act. In other words, the appellants can only act on behalf of the Central Government and not otherwise. The appellants, on the strength of being delegates for discharging the functions of the Central Government, cannot claim an automatic entitlement to challenge the order passed by the learned Single Judge without any express power conferred by the Statute in that regard. The appellants are quasi-judicial authorities and must act as an impartial Tribunal under the 1952 Act. The appellants must also establish a specific grievance or dissatisfaction caused as a result of the order passed by the learned Single Judge.

28. In essence, to be categorized as an ‘aggrieved party’, the appellants’ interests must have been adversely affected by the adjudication and they must show that the appellants, in their individual capacities, have been deprived of a right by way of the said adjudication. In the present case, the appellants cannot step into the shoes of a party to the dispute since none of the appellants are a party to the *lis*: *Regional Provident Fund Commissioner v. Employees Provident Funds Appellate Tribunal*³. This finding was affirmed in *Regional Provident Fund Commissioner v. Employees Provident Fund Appellate Tribunal*⁴.

29. The appellants, particularly the appellant No.3, seek to defend their own orders in the present Appeal. It is something akin to an Arbitrator filing an appeal under section 37 of The Arbitration and Conciliation Act, 1996 in the Appeal Court challenging interference of the section 34 Court in the Award passed by the Arbitrator.

30. However, the most fundamental point is that section 7-O of the 1952 Act contains a mandate for the Employer to deposit 75% of the amount due from the Employer at the time of filing of the Appeal as determined by an Officer referred to in section 7A.

³ MANU/WB/0718/2014

⁴ MANU/GJ/1778/2023

The proviso to section 7-O relaxes and, in fact, does away with the mandate altogether by authorizing the Tribunal to waive or reduce the amount to be deposited under section 7-O.

31. A plain construction of section 7-O entails that the pre-deposit can be waived or reduced only where the reasons for such waiver/reduction which recorded in writing.

32. In the present case, the relevant paragraph (paragraph 8) of the order dated 14.11.2024 (in challenge before the learned Single Judge) simply records that the appellant has not made out a case for complete waiver of the pre-deposit condition and that the Appeal is admitted subject to remittance of 30% of the determined amount within six weeks upon proof of remittance. Paragraph 8 of the said order does not contain even a solitary reason for remittance of 30% as required under the proviso to section 7-O of the 1952 Act.

33. In the absence of even a basic compliance of section 7-O of the 1952 Act, the appellants cannot interpret the power to reduce or waive the pre-deposit as being within their exclusive domain or that the Writ Court cannot tinker with such discretion. In other words, the appellants are disentitled from relying on the rigour of

section 7-O of the 1952 Act having failed to comply with the discipline of the said provision themselves.

34. The above reasons compel the Court to hold that the Appeal should be dismissed on the ground of maintainability. The appellants cannot claim to be parties aggrieved by the impugned order passed by the learned Single Judge on 04.02.2025 or maintain the Appeal as statutory Authorities under the 1952 Act.

35. W.A.No.829 of 2025, along with all connected applications, is accordingly dismissed as not being maintainable. There shall be no order as to costs.

MOUSHUMI BHATTACHARYA, J

GADI PRAVEEN KUMAR, J

DATE: 19.12.2025
Note: L.R. Copy be marked.
B/o.TJMR