**IN THE HIGH COURT OF PUNJAB AND HARYANA
AT CHANDIGARH**

249 **CWP-36167-2019**
Date of Decision : May 11, 2026

HARYANA STATE AIDS CONTROL SOCIETY
-PETITIONER
V/S

EMPLOYEES PROVIDENT FUND ORGANIZATION AND OTHERS
-RESPONDENTS

CORAM: HON'BLE MR. JUSTICE KULDEEP TIWARI

Present: Mr. Vivek Salathia, Advocate
for the petitioner.

Mr. Sandeep Goyal, Advocate
for the respondents No.1 and 2.

***

KULDEEP TIWARI, J. (ORAL)

1. Through the instant writ petition, the petitioner-Society assails the interim order dated 05.11.2019 passed by the Central Government Industrial Tribunal, Chandigarh, whereby the petitioner was directed to deposit 40% of the assessed amount.

2. Succinctly stated, the petitioner-Haryana State AIDS Control Society is a registered society constituted for implementation of the AIDS Control and Prevention Programme of the Government of India, which is handled by the National AIDS Control Organisation (hereinafter referred to as "NACO"), functioning under the Ministry of Health and Family Welfare, Government of India. The petitioner-Society functions under the direct control and supervision of NACO, and its entire affairs as well as budgetary allocations are regulated by the said organisation.

3. Earlier, the provisions of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 (hereinafter referred to as "the EPF Act")

were not applicable to the petitioner-Society in view of exemption Notification No.1431. However, the said exemption ceased to operate w.e.f. 31.03.2015 owing to non-renewal by the Government of India. Consequently, an assessment order dated 17.05.2018 under Section 7-A of the EPF Act came to be passed against the petitioner for the period from 01.04.2015 to 21.10.2016, assessing liability to the tune of ₹55,37,910/-.

4. Aggrieved by the assessment order, the petitioner-Society preferred a statutory appeal under Section 7-I of the EPF Act along with an application under Section 7-O seeking waiver/reduction of the mandatory pre-deposit and stay of recovery proceedings during pendency of the appeal. Vide order dated 02.11.2018, the Central Government Industrial Tribunal issued notice in the application and restrained the respondent-Department from taking coercive measures for recovery of the assessed amount. Subsequently, vide the impugned order dated 05.11.2019, the application under Section 7-O was disposed of with a direction to the petitioner-Society to deposit 40% of the assessed amount within one month.

5. Learned counsel for the petitioner-Society submits that, during the preliminary hearing of the instant writ petition, the petitioner undertook to deposit 20% of the assessed amount within one month, whereupon this Court, vide order dated 13.12.2019, issued notice of motion and stayed the requirement of depositing the remaining 20%. It is contended that the petitioner-Society is engaged in public welfare functions and has already complied to the extent of depositing 20% of the assessed amount. However, due to paucity of funds, the petitioner is unable to deposit the remaining amount. It is further submitted that the statutory appeal is now ripe for final adjudication and the petitioner has substantial grounds to succeed therein.

6. Learned counsel further contends that Section 7-O of the EPF Act empowers the Tribunal to waive or reduce the requirement of pre-deposit for reasons to be recorded in writing. It is contended that sufficient and *bona fide* grounds, including the financial constraints faced by the petitioner-Society owing to its dependence upon financial allocations from the Government of India, were pleaded in the application seeking waiver. Accordingly, it is prayed that the impugned order be modified by reducing the pre-deposit requirement from 40% to the 20% amount already deposited, particularly when no prejudice is likely to be caused to the respondent-Department by such modification.

7. Having considered the submissions advanced by learned counsel for the petitioner, coupled with the fact that the petitioner-Society has already deposited 20% of the assessed amount and the statutory appeal has reached the stage of final hearing, this Court deems it appropriate to modify the impugned order dated 05.11.2019 to the extent that the requirement of pre-deposit stands reduced from 40% to the 20% amount already deposited by the petitioner-Society. It is, however, clarified that the Central Government Industrial Tribunal shall adjudicate the appeal on its own merits and without being influenced by any observations made hereinabove.

8. Disposed of accordingly.

(KULDEEP TIWARI)
JUDGE

May 11, 2026
devinder

Whether speaking/reasoned : Yes/No
Whether Reportable : Yes/No