**BEFORE CENTRAL GOVERNMENT INDUSTRIAL TRIBUNAL CUM LABOUR COURT No. 2/EPFAT, DELHI**

**D-2/24/2026**

**M/s Sojitz Corporation** .... Appellant
Through:- Ms. Raavi Birbal, ld. counsel for the appellant.

Vs.

APFC/RPFC, Faridabad .... Respondent

Through:- Sh. Shighra Kumar, ld. counsel for the respondent.

**Order dated-17.07.2026**

The office has reported that the appeal has been filed within the prescribed period of limitation.

Ld. counsel for the appellant has pressed the application for grant of stay as well as the application filed under Section 7-O of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 (hereinafter referred to as "the Act") seeking waiver of the statutory pre-deposit.

Ld. counsel submits that the appellant is a foreign entity incorporated in Japan, having its head office at Tokyo, Japan. It is stated that the appellant company is duly incorporated under the laws of Japan and complies with all applicable statutory and regulatory requirements. For the execution of the infrastructure works relating to the Western Dedicated Freight Corridor Project, M/s Sojitz Corporation, Japan, entered into a consortium with M/s Larsen & Toubro Limited (L&T) under the name and style of "Sojitz-L&T Consortium." According to the learned counsel, the Japanese entity was entrusted with more than 50% of the total scope of work under the contract. It is further submitted that, after the execution of the contract, the core project execution work was lawfully subcontracted to L&T.

Ld. counsel further submits that Sojitz Japan established a Project Office in India for coordination and communication in connection with the Western Dedicated Freight Corridor Project. The

Project Office has its principal office at Faridabad and branch offices at Allahabad, Jaipur, Ahmedabad, and Mumbai.

It is further contended that the impugned order passed under Section 7A of the Act is arbitrary and unsustainable. It is submitted that unless the operation of the impugned order is stayed and the requirement of the statutory pre-deposit is waived, the appellant shall suffer irreparable loss and hardship. Accordingly, a complete waiver of the statutory pre-deposit has been prayed for.

Ld. counsel for the respondent submits that he was assigned to represent the matter only yesterday and, therefore, seeks time to file a detailed reply. However, this Tribunal has perused the impugned order.

A prima facie reading of the impugned order reveals that the respondent authority has determined provident fund dues primarily on the ground that the appellant had engaged three International Workers who had either produced Certificates of Coverage only for a limited period or had failed to produce the same for the relevant period. On that basis, the respondent authority assessed the provident fund liability. It has also determined liability in respect of certain Indian employees whose wages exceeded the statutory wage ceiling on the ground that Form-11 and member-wise records were not produced.

Section 7-O of the Act ordinarily mandates a pre-deposit of 75% of the amount determined under Section 7A before an appeal can be entertained. However, upon a prima facie consideration of the impugned order, it appears that no finding has been recorded by the respondent authority as to whether the employees whose wages exceeded the statutory wage ceiling had already been enrolled as members of the Provident Fund Scheme prior to crossing the wage ceiling. In the absence of such a finding, the respondent authority could not have drawn an adverse inference merely on account of the non-production of Form-11 or complete member-wise records.

Further, the respondent authority has not separately assessed or quantified the liability, if any, in respect of the International Workers. These issues require detailed consideration at the stage of final hearing.

Having regard to the aforesaid facts and circumstances and upon a prima facie consideration of the record, this Tribunal is of the opinion that the appellant has made out a fit case for grant of waiver under Section 7-O of the Act.

Accordingly, the application filed under Section 7-O of the Act is allowed, and the requirement of statutory pre-deposit is waived.

Put up the matter on **19.08.2026** for filing the respondent's reply to the appeal. Execution of the impugned order is stayed till finalization of the appeal.

Atul Kumar Garg
(Presiding Officer)