

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

D-2/05/2026 & D-2/06/2026

M/s Webtech International Machineries vs. APFC/RPFC, Faridabad.

Present: Sh. Ravi Ranjan Mishra, Ld. Counsel for the Appellant.
Sh. B.B. Pradhan, Ld. Counsel for the respondent.

Order dated- 01.06.2026

ORAL:

1. These are two appeals arising out of the two separate orders passed under section 14B and 7Q of the **Employees' Provident Funds and Miscellaneous Provisions Act, 1952** (hereinafter referred to as "the Act"), by the respondent on 05.02.2026 for the period of 04/2014 to 07/2019 and 04/2022 to 10/2024. Therefore, these cases are taken together for the purpose of deciding the two applications for stay filed by the appellant herein.

2. Appellant has pressed its application for stay of the impugned order in both these appeals, which have been filed by the appellant against the impugned orders passed by the respondent under section 14B & 7Q of the Act, wherein respondent has assessed the amount of Rs. 23,06,369/- & Rs. 17,30,955 and Rs. 10,13,026 & Rs. 5,06,752/- as damages and interests respectively. According to the appellant, liability has been fastened upon him being the third party. Although it had deposited a certain amount with the respondent, which was determined U/s 7A of the EPF Act, and the respondent is now claiming interest and damages on the said amount u/s 14B and 7Q of the Act. He submitted that respondent acted arbitrarily, as it is an admitted fact by DR that previous establishment of landowner is no longer in existence and is defunct. However, the Ld. Inquiry Officer opted to

fasten liability upon the appellant without giving appellant a fair/just environment to represent its case.

3. Per contra, respondent has opposed the application by filing the reply. He submitted that, though the order had been passed against the M/s Webtech Engineering Pvt. Ltd. and he had remitted the PF and allied dues belatedly yet his stand is that Authorised Representative of M/s Webtech International Machineries had appeared on 16.12.2025, yet, it has fasten the liability upon the respondent, first, he is the son of the director of the M/s Webtech Engineering Pvt. Ltd. and secondly, he has paid the amount of PF dues in respect of the employees in instalments before the Hon'ble Punjab & Haryana High Court.

4. Before proceeding further, Brief facts of the present appeals are required to be narrated herein:

Appellant, a partnership firm, came into a Commercial Property Rental Agreement with M/s Web-Tech Engineering Pvt. Ltd. and commenced its business in one portion of land under iron shed since 26.12.2022. Upon being approached by M/s Web-Tech Engineering Pvt. Ltd., which was facing financial stress, it has agreed to pay directly the arrears of dues towards it to the PF department on a mutual understanding with the condition that the said deposited amount will be adjusted in the rent. On 15.04.2025, he had purchased the plot from M/s Webtech Engineering Pvt. Ltd. for consideration. He started receiving demand notice from the EPF Department which the appellant communicated the same to the department as well as the previous land owner. The previous land owner convinced the appellant that he is under financial stress and needs financial support as a friendly loan and nothing to worry about in respect of the notices; he bonafidely deposited demand draft of Rs. 2,00,000/- (each) on dated 16.06.2025 and 31.10.2025. According to him, without considering that he is the third party in the

proceeding, he was liable to pay the damages and interests under section 14B and 7Q of the Act.

Before proceeding further, order dated 05.02.2026 in both sections 14B & 7Q are required to be perused. First, this Tribunal has noticed that, infact, at the top, it has been mentioned demand notice not the order passed by the competent authority. Demand notice 05.02.2026 was issued in respect of **M/s Web-Tech Engineering Pvt. Ltd., Plot no. 20, Sector-25, Faridabad-121004**, wherein it has been mentioned that M/s Web-Tech Engineering Pvt. Ltd., Plot no. 20, Sector-25 **having PF Code No. HR/FBD/11043/000**, was required to pay the EPF dues within 15 days of the close of every month and a notice for demand of Rs. 17,30,955/- & Rs. 23,06,369/- under section 14B & 7Q were issued on 04.10.2024. It was addressed to M/s Web-Tech Engineering Pvt. Ltd., Plot no. 20, Sector-25.

5. If the impugned orders are perused then it appears that the respondent had fastened the liability to pay the damages and interests for the above said period to the appellant herein by invoking section 17B of the Act. He assumed that the M/s Webtech Engineering Pvt. Ltd. and M/s Webtech International Machineries are the same despite being purchased by the later only on the land in question from the earlier one after completing the formality.
6. The order speaks that it has been passed against the M/s Webtech Engineering Pvt. Ltd. and have not addressed to the M/s Webtech International Machineries, so, any proceeding for attachment and recovery shall be only to the M/s Webtech Engineering Pvt. Ltd. not to the M/s Webtech International Machineries. Section 17-B of the Act has come into play when the establishment has been transferred in whole and in part by sale, gift, lease, or license or in any other manner than only the purchaser of the establishment and the sailor shall be jointly and severally liable to pay the contribution and other dues. Here, in the present appeals, appellant has only purchased the land in question not

the establishment's business. Merely, deposit of dues to the respondent by the appellant herein on behalf of the M/s Webtech Engineering Pvt. Ltd. does not mean that both the establishments are the same and one.

7. Considering the above said facts that the appellant is a third party having purchased the land in question from the M/s Webtech Engineering Pvt. Ltd., orders passed in respect of M/s Webtech Engineering Pvt. Ltd. are stayed without any condition of deposit qua the appellant herein. It is also important to mention here that the respondent is at liberty to execute the order against the M/s Webtech Engineering Pvt. Ltd. Nothing mention herein shall effect the merit of the appeals. A copy of this order is placed in each of the file.

Put up for 22.07.2026 for filing of the reply of both the appeals.


Atul Kumar Garg
(Presiding Officer)