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IN THE HIGH COURT OF DELHI AT NEW DELHI

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Date of Decision: 24.03.2026

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LPA 152/2026 & CM APPL No. 18271/2026**M/S SANGHVI WRITING POINTS PRIVATE
LIMITED****.....Appellant****Through: Mr. Vineet Sinha, Advocate.
versus****UNION OF INDIA THROUGH THE SECRETARY
& ORS.****.....Respondents****Through: Ms. Puja S. Kalra, CGSC for R-1.
Mr. Akhil Mittal, Senior Panel
Counsel with Ms. Shayna Das
Pattanayak & Ms. Riddhi Jain,
Advocates for R-1/UOI.
Mr. Siddharth, Standing Counsel with
Mr. Rajesh Kumar, Mr. Harshit
Manwani, Ms. Himansh Girdhar, Mr.
Deepanshu Grover & Mr. Yash
Narain, Advocates for R-2 to R-4/
EPFO.****CORAM:****HON'BLE THE CHIEF JUSTICE****HON'BLE MR. JUSTICE TEJAS KARIA****TEJAS KARIA, J. (Oral)****CM APPL Nos. 18272/2026 and 18273/2026**

1. Exemptions are allowed, subject to all just exceptions.
2. The Applications stand disposed of.

**CM APPL No. 18274/2026**

3. The present Application has been filed by the Appellant seeking condonation of delay of 56 days in filing the Appeal.
4. For the reasons disclosed in the Application, the same is allowed. The delay of 56 days in filing the Appeal is hereby condoned.
5. The Application stands disposed of.

CM APPL No. 18275/2026

6. The present Application has been filed by the Appellant seeking condonation of delay of 38 days in re-filing the Appeal.
7. For the reasons disclosed in the Application, the same is allowed. The delay of 38 days in re-filing the Appeal is hereby condoned.
8. The Application stands disposed of.

LPA 152/2026

9. The present Letters Patent Appeal has been filed challenging the Order dated 11.11.2025 (“**Impugned Order**”) passed in W.P.(C) No. 5039/2018 (“**Writ Petition**”), whereby the learned Single Judge has dismissed the Writ Petition filed by the Appellant.
10. Brief factual matrix giving rise to the filing of the present Appeal is:
 - 10.1. The Appellant is a company incorporated under the Companies Act, 1956 on 05.08.1980 under the name of *M/s Precision Writing Point Private Limited*. Thereafter, the name of the Appellant was changed to *M/s Sanghvi Writing Point Private Limited* on 10.08.1993.
 - 10.2. In the year 2000, the Appellant filed a reference before the Board for Industrial and Financial Reconstruction (“**BIFR**”),



being Case No. 316/2000 under the Sick Industrial Companies (Special Provisions) Act, 1985. The Appellant was declared a sick industrial unit by BIFR on 31.07.2001. Thereafter, IDBI was appointed as an Operating Agency on 29.03.2004 for preparation of a rehabilitation scheme, which was subsequently approved by BIFR. According to the Appellant, due to managerial problems and financial difficulties, some provident fund dues were paid belatedly.

- 10.3. On 01.03.2006, the Appellant filed an application before the Respondent Authorities seeking waiver of damages that may become payable under the Employees' Provident Fund and Miscellaneous Provisions Act, 1952 ("**Act**").
- 10.4. On 28.08.2006, Respondent No. 3, the Regional Provident Fund Commissioner ("**RPF Commissioner**"), issued a Show Cause Notice calling upon the Appellant to pay interest of ₹7,84,881/- under Section 7Q of the Act and damages of ₹23,56,669/- under Section 14B of the Act, aggregating to ₹31,41,550/-, for the period May 1983 to February 2006. The Appellant replied to the Show Cause Notice on 13.09.2006 stating that it had been declared a sick industrial unit. It was further stated by the Appellant in its reply that the rehabilitation scheme was pending before BIFR and that the application seeking waiver of damages and interest was also pending consideration.
- 10.5. Thereafter, the Appellant made further representations seeking waiver of damages and interest and also placed on record that it



had paid a sum of ₹7,84,971/- towards interest during the period 11.06.2003 to 05.05.2010.

- 10.6. On 26.04.2007, Vijaya Bank issued a certificate stating that its loan had been cleared, and the Appellant filed the said certificate dated 26.04.2007 before BIFR on 02.05.2007.
- 10.7. On 09.05.2007, Respondent No. 2 informed the Appellant that its request for waiver of interest had been rejected and directed it to submit the rehabilitation scheme for consideration of waiver of damages under Section 14B of the Act. The Appellant filed the rehabilitation scheme on 12.06.2007, but the Respondents sent a letter dated 06.10.2008 stating therein that no such scheme had been received and the request for waiver of damages of the Appellant had been rejected. It was further stated in the said letter that the amount of ₹5,26,496/- be remitted immediately. The Appellant then informed the RPF Commissioner by means of a letter dated 14.10.2008 that the rehabilitation scheme had already been submitted by the Appellant on 12.06.2007.
- 10.8. On 28.11.2008, the Appellant sought permission from the Respondents by means of a letter to deposit the interest amount in 24 monthly instalments and stated that it had already paid interest for the period from January 2000 to February 2000. Respondent No. 3, thereafter, forwarded the order dated 31.07.2001 to BIFR and the Rehabilitation Scheme to Respondent No. 2 on 03.12.2008 for consideration of the



Appellant's request for waiver of damages.

- 10.9. On 10.02.2009, the RPF Commissioner directed the Appellant to submit its balance sheet which was submitted by the Appellant on 10.02.2009. The Appellant, while submitting the balance sheet, also made a request to the RPF Commissioner to forward its request for waiver of damages to Respondent No. 2.
- 10.10. On 20.02.2009, the Appellant informed the RPF Commissioner that out of the interest of ₹5,26,496/- as demanded *vide* letter dated 06.10.2008, it had deposited a sum of ₹1,87,402/- and sought time of 12 more months to pay the balance amount.
- 10.11. On 16.04.2009, RPF Commissioner required the Appellant to submit an undertaking / consent to the pre-conditions for grant of instalment facility, and on 29.04.2009 the Appellant furnished an undertaking stating that it would pay the balance interest in instalments and offered to furnish a bank guarantee.
- 10.12. Thereafter, RPF Commissioner passed an order dated 18.05.2009, whereby the Appellant's request for waiver of damages was rejected and it was directed that the Appellant shall deposit damages of ₹23,56,669/- and interest of ₹4,82,496/-. The Appellant disputed the amount of interest by writing a letter dated 29.05.2009 and, on 24.06.2009, the RPF Commissioner informed that although certain amounts had been credited, the interest remaining payable was ₹4,82,496/-, though no break-up was given.
- 10.13. The Appellant challenged the order dated 18.05.2009 by filing



ATA No. 553(5)/2009 before the Employees Provident Fund Appellate Tribunal, New Delhi (“**Tribunal**”). The learned Tribunal issued notice and admitted the appeal on 11.09.2009, however, the appeal was dismissed by the learned Tribunal *vide* order dated 16.04.2010.

10.14. Thereafter, the RPF Commissioner initiated steps for recovery and addressed a letter dated 29.04.2010 to the Recovery Officer, Ahmedabad for recovery of damages and interest amounting to ₹28,80,337/-. The Appellant continued to contend that only a lesser amount was due towards interest and requested that recovery proceedings be kept in abeyance, while the BIFR also took up the issue of demand of damages and interest with the Provident Fund authorities.

10.15. On 16.06.2010, the Appellant wrote a letter to the RPF Commissioner informing that the Appellant had paid the entire amount of pending interest, which has been verified by the officials of Respondent No. 3 and requested that recovery proceedings be kept in abeyance till the BIFR decides the issue. Thereafter, Respondent No. 2, on 26.09.2011, rejected the application of the Appellant for waiver of demand of damages.

10.16. On 03.05.2012, BIFR discharged the Appellant from the demand of alleged provident fund dues including damages and interest. However, on 18.07.2012, the RPF Commissioner again directed the Appellant to pay ₹25,94,707/-, comprising damages, interest, and recovery cost.



- 10.17. The Appellant then approached the BIFR by way of filing an application on 23.07.2012 stating therein that Respondent No. 3 has directed the Appellant to deposit the alleged amount of ₹25,94,707 despite the fact that the BIFR had discharged the Appellant from the said dues. The Appellant also wrote to Respondent No. 3 on 24.07.2012 stating therein that no coercive action should be taken during the pendency of proceedings.
- 10.18. On 27.09.2012, the Appellant approached this Court by filing a writ petition *vide* Diary No. 159430/2012 challenging the order dated 16.04.2010 passed by the learned Tribunal and also requested the Respondents to await the outcome of the said writ petition.
- 10.19. In subsequent correspondence, the Appellant repeatedly sought that the matter be kept in abeyance, while the Respondents continued to call upon the Appellant to update the status of the BIFR proceedings and the writ petition filed *vide* Diary No. 159430/2012.
- 10.20. In January 2018, the RPF Commissioner issued demand notices again calling upon the Appellant to deposit interest and then a further sum of ₹25,95,557/-. The Appellant replied to the said notices stating that the interest had already been paid and enclosed the challan.
- 10.21. In the meantime in March 2017, the Appellant received an email from his previous lawyer stating that the writ petition was



pending with the Registry of the Court and the status would be ascertained within four weeks. Finally, on 17.03.2018, the Appellant received an email from the erstwhile lawyer indicating that due lack of contact over six years, that the Appellant learned that the writ petition had not been numbered and, therefore, was not pending. Upon further inquiry, the Appellant discovered that the earlier writ petition was not pending with the Registry and was returned to the previous counsel for rectification of defects. the Appellant, upon further enquiry through another counsel, came to know that the writ petition was filed *vide* Diary No. 159430/2012 on 27.09.2012 was not available with the registry.

10.22. Ultimately, the Appellant filed the Writ Petition on 13.04.2018 challenging the order dated 16.04.2010 passed by the learned Tribunal. The Writ Petition was heard and the Judgement was reserved on 04.11.2025. *Vide* the Impugned Order, the learned Single Judge dismissed the Writ Petition on the ground of delay and laches in filing the Writ Petition. Hence, the present Letters Patent Appeal.

11. The central issue in this Appeal relates to whether the delay and laches in filing the Writ Petition on account of inaction on the part of the lawyer engaged by the Appellant can be condoned in the facts of the present case.

12. It is the case of the Appellant that the Writ Petition challenges the order dated 16.04.2010 passed by the learned Tribunal, whereby the order



dated 18.05.2009 passed by the RPF Commissioner directing the Appellant to pay damages of ₹23,56,669/- for the delay in payment of the Provident Fund and administrative charges for the period from May 1983 to February 2006 and interest of ₹4,82,496/- under Section 7Q of the Act was upheld.

13. The learned Counsel for the Appellant contended that the learned Single Judge did not adjudicate the Writ Petition on its merits due to delay and laches in its filing, which were attributed to negligence and procedural errors by the Appellant's previous lawyer. The Appellant further argued that damages were imposed without conducting any inquiry and without granting a hearing regarding the pendency of proceedings before the BIFR and the circumstances that hindered timely payment of Provident Fund dues. Additionally, it was submitted that both the Tribunal's order dated 16.04.2010, challenged via the Writ Petition, and the RPF Commissioner's order dated 18.05.2009, challenged before the Tribunal, were non-speaking orders that failed to address the Appellant's submissions. It was asserted that damages under Section 14B of the Act should not be levied arbitrarily, given the Appellant's inability to pay PF dues within the prescribed timeline was due to factors beyond its control. Accordingly, the imposition of interest under Section 7Q of the Act was unlawful and liable to be set aside.

14. The learned Counsel for the Appellant submitted that the quantum of damages under Section 14B of the Act cannot exceed the amount of the arrears of the PF dues as the provisions of the Act categorically mandate that the reasonable damages can be levied in case of default in timely payment of PF dues, which is to be determined with regard to the facts of the case. The circumstances leading to default in payment of PF dues within the stipulated



time by the Appellant have not been appreciated by the learned Tribunal and the learned Single Judge. Similarly, the penal interest cannot be levied without any proper justification and basis for imposing such interest.

15. The learned Counsel for the Appellant has argued that, as the Appellant was declared a sick industrial unit by the BIFR, the Appellant's request for waiver of damages should have been duly considered. Furthermore, it was contended that, prior to imposing damages, there was no assessment of the actual loss incurred as a result of the delayed payment of Provident Fund dues. Additionally, it was submitted that the calculation resulting in the sum of ₹23,56,669/- as damages under Section 14B of the Act was not adequately explained, thereby rendering the demand unsustainable on this basis alone. It was also asserted that the imposition of damages under Section 14B after a lapse of 23 years cannot be sustained.

16. The learned Counsel for the Appellant further submitted that the Appellant has provided a sufficient explanation for the delay in filing the Writ Petition. The Appellant maintains that the learned Single Judge did not give due consideration to the conduct of the Appellant's previous counsel, who filed the writ petition *vide* Diary No. 159430/2012 on 27.09.2012, and misled the Appellant regarding its status, leading the Appellant to believe the matter was pending with the Registry. The Appellant was stated to be under a *bona fide* belief that the petition was pending before the Court, as regular enquiries were made with counsel's office concerning its progress. It was only on 17.03.2018, upon receiving an email from the erstwhile counsel indicating that contact had ceased for six years, that the Appellant learned the writ petition had not been numbered and, therefore, was not pending.



Upon further inquiry, the Appellant discovered that the documents relating to the earlier writ petition were not with the Registry, having been returned to the previous counsel for rectification of defects. Consequently, the Appellant filed the present Writ Petition on 13.04.2018, challenging the order dated 16.04.2010 issued by the learned Tribunal. The Appellant submitted that the delay and alleged laches in filing the Writ Petition resulted from circumstances beyond its control, as it acted under the genuine belief that the earlier counsel was diligently pursuing the prior writ petition.

17. In view of the above, it was submitted on behalf of the Appellant that by way of the Impugned Order, the Writ Petition was wrongly dismissed on the ground of inordinate delay without examining the Writ Petition on merits.

18. Having considered the submissions made on behalf of the Appellant and considering the factual background, we are of the view that the Appellant has not made out any case for interference with the Impugned Order.

19. The Impugned Order has held that the Appellant did not take adequate measures to challenge the order dated 16.04.2010 issued by the learned Tribunal despite the passage of significant time. The Appellant has entirely attributed the delay to his previous counsel, asserting that the counsel had assured him for years that the writ petition challenging the said order was still pending. However, the records in the Writ Petition available before the learned Single Judge do not reveal any documentation indicating that the Appellant contacted his former lawyer over a period of six years. The email dated 17.03.2018 from the Appellant's erstwhile counsel explicitly states



that the Appellant had not been in contact for the preceding six years, reflecting a lack of diligence in pursuing the case following the engagement of counsel.

20. It is incumbent upon every litigant to remain attentive to their rights; the mere act of appointing counsel does not absolve the litigant from ensuring that their appointed counsel is actively safeguarding those rights. Furthermore, the record contains no documentary evidence demonstrating consistent communication between the Appellant and his former lawyer.

21. Correspondence between the Appellant and the Assistant Provident Fund Commissioner indicates that the Appellant repeatedly informed the Commissioner that the prior writ petition was pending and *sub judice*, without any communication with his former counsel. An email dated 11.01.2017 from the former lawyer to the Appellant stated that the status of the writ petition would be ascertained within four weeks. Nevertheless, the Appellant took no action to follow up until receipt of the email dated 17.03.2018, which indicated that the Appellant had been out of touch with his lawyer for six years.

22. In **Nitin Mahadeo Jawale & Ors. v. Bhaskar Mahadeo Mutke**, 2024 INSC 902, the Supreme Court has observed as under:

“6. We have noticed over a period of time the growing tendency on the part of the litigants in throwing the entire blame on the head of the advocate. Not only this, we have come across cases where the concerned advocate has filed an affidavit in favour of his client(s) saying that he was unable to attend the proceedings due to some personal reasons difficulties thereby facilitating the litigant to get the delay condoned.

7. Even if we assume for a moment that the concerned lawyer was careless or negligent, this, by itself, cannot be a ground to



condone long and inordinate delay as the litigant owes a duty to be vigilant of his own rights and is expected to be equally vigilant about the judicial proceedings pending in the court initiated at his instance.

8. *The litigant, therefore, should not be permitted to throw the entire blame on the head of the advocate and thereby disown him at any time and seek relief.”*

23. Based on the foregoing, it is clear that the litigants have a responsibility to remain attentive to their own rights and cannot attribute the entire delay to counsel for seeking condonation.

24. Therefore, we do not find any error in the Impugned Order, which dismissed the Writ Petition due to excessive delay and laches without proper justification. Consequently, the Appeal and the pending Application are hereby dismissed. There shall be no order regarding costs.

TEJAS KARIA, J

DEVENDRA KUMAR UPADHYAYA, CJ

MARCH 24, 2026

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