

IN THE HIGH COURT OF JUDICATURE OF ANDHRA PRADESH
AT HYDERABAD

(Special Original Jurisdiction)

TUESDAY, THE NINETEENTH DAY OF FEBRUARY,
TWO THOUSAND AND THIRTEEN

:PRESENT:

THE HON'BLE SRI JUSTICE: C.V.NAGARJUNA REDDY
WRIT PETITION NO :4969 of 2013

Between:

M/s. Nellore Municipal Corporation, Represented by its Commissioner,
Podalakur Road, T.B. Hospital Road, Nellore - 524 003.

.....

Petitioner

AND

1. The Employees State Insurance Corporation, rep. by its Regional Director, 2nd Floor, P. Padmanabha Buildings, 14-20-27, Gandhinagar, Vijayawada- 520 003.
2. The Assistant Director, Employees State Insurance Corporation, Regional Office, 14-20-27, Gandhi Nagar, Padnabha Building, Vijayawada.
3. The Recovery Officer, Employees State Insurance Corporation, Sub-Regional Office, Padmanabha Buildings, Gandhi Nagar, Vijayawada- 520 003.

.....Respondents

Petition under Article 226 of the Constitution of India praying that in the circumstances stated in the Affidavit filed herein the High Court may be pleased to issue an appropriate writ, order or direction more particularly one in the nature of Writ of Mandamus declaring the action of the 2nd respondent in issuing the proceedings dt. 07-02-2012 directing the petitioner Corporation to register their establishment under the provisions of Employees' State Insurance Act, 1948 and issuing further proceedings No.AP/SRO/VJA/MEC/62-030161-1099, dt. 31.12.2012 demanding payment of Rs.1,47,47,098/-with interest @ 12% per annum and consequential notice issued vide No.AP/SRO/VJA/RRO/62 00 030161 000 1099, dt.07.01.2013 by the 3rd respondent for recovery of the amount mentioned therein is illegal, arbitrary, erroneous, highhanded, without jurisdiction and contrary to the provisions of Employees' State Insurance Act, 1948 and Rules made there under and consequently direct the respondents not to insist the petitioner Corporation either to register them under the provisions of Employees' State Insurance Act, 1948 or make payment of ESI contributions.

The petition coming on for hearing, upon perusing the petition and the affidavit filed herein and upon hearing the arguments of Sri Bachina Hanumantha Rao, Advocate for the Petitioner, and Sri B. G. Ravinder Reddy, Standing Counsel for ESIC on behalf of the Respondents, the Court made the following

ORDER:

“Learned counsel representing Sri B.G.Ravinder Reddy, learned Standing Counsel for Employees' State Insurance Corporation, takes notice for respondent Nos.1 to 3 and seeks time for filing counter-affidavit.

Post on 18.03.2013.

Pending further orders, respondent No.2 is restrained from taking coercive steps against the petitioner for non-payment of the amount demanded under impugned letter No.AP/SRO/VJA/MEC/62-030161-1099, dated 31.12.2012, subject to the petitioner depositing with respondent No.2 Rs.50 lakhs within four weeks from today. In default, the interim order shall automatically stand vacated.”

ASSISTANT

REGISTRAR

// TRUE COPY //

for ASSISTANT REGISTRAR

To

1. The Regional Director, Employees State Insurance Corporation, 2nd Floor, P. Padmanabha Buildings, 14-20-27, Gandhinagar, Vijayawada- 520 003.
2. The Assistant Director, Employees State Insurance Corporation, Regional Office, 14-20-27, Gandhi Nagar, Padnabha Building, Vijayawada.
3. The Recovery Officer, Employees State Insurance Corporation, Sub-Regional Office, Padmanabha Buildings, Gandhi Nagar, Vijayawada- 520 003.
4. One CC to Sri Bachina Hanumantha Rao, Advocate (OPUC)
5. One Spare Copy.

BV

HIGH COURT

CVNR.J

DATED: 19-02-2013

**NOTE:
POST ON 18-03-2013**

ORDER

WP.NO. 4969 OF 2013

DIRECTION

DRAFTED: BY BV

DATED: 19-02-2013

HIGH COURT

CVNR.J

DATED: 19-02-2013

NOTE:
POST ON 18-03-2013

ORDER

WP.NO. 4969 OF 2013

DIRECTION