



WEB COPY

WP No. 42680 of 2025



IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 28-11-2025

CORAM

THE HONOURABLE MRS.JUSTICE N. MALA

WP No. 42680 of 2025

and

WMP.No.47741 of 2025 and 50535 of 2025

The Grant Sweets And Snacks
Rep. By Its Proprietrix Smt. Rajeswari,
No 24/1 2nd Main Road,
Gandhi Nagar, Adyar,
Chennai 600 020

Petitioner(s)

Vs

1. The Deputy Director
ESI Corporation,
143 Sterling Road, Nungambakkam
Chennai 34

2.The Recovery Officer
ESI Corporation,
143, Sterling Road, Nungamabkkam
Chennai 34

Respondent(s)

PRAYER

Writ of Certiorari Mandamus calling for records of the Principal Labour Court, Chennai in I.A.No.2 of 2025 in E.I.O.P.No.69 of 2025 and quash the same its order dated 08.07.2025 and consequently, direct the Principal Labour Court to restore I.A.No.2 of 2025 in E.I.O.P.No.69 of 2025.



**[prayer amended vide order of this Court dated 27.11.2025
in WMP.No.50533/2025 in WP.No.42680 of 2025]**

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For Petitioner(s): Mr.Haroon Al. Rasheed For
Mr.G. Babu Rajendran

For Respondent(s): Mr. R. Sreedhar, AGP

ORDER

This Writ Petition is filed for Certiorari Mandamus to quash the order dated 08.07.2025 of the Principal Labour Court, Chennai in I.A.No.2 of 2025 in E.I.O.P.No.69 of 2025 and consequently, direct the Principal Labour Court to restore I.A.No.2 of 2025 in E.I.O.P.No.69 of 2025.

2. The petitioner is a proprietrix concern engaged in the manufacture of sweets and savouries. The petitioner is registered under the Employees State Insurance Corporation Act, 1948 and has been regularly complying with the provisions of the Act. While so, the petitioner was issued with a 45A notice under the Act, alleging that the petitioner contravened the statutory obligations imposed on it. Later, the first respondent passed the 45-A order on 04.09.2024 claiming Rs.77,41,440/- towards ESI contribution on *ad hoc* basis for the period from 04/2020 to 03/2024. Aggrieved by the 45-A order, the petitioner preferred an appeal before the Principal Labour Court, Employees State Insurance Corporation, Chennai along with waiver and stay petitions. The Principal Labour Court, while allowing the waiver petition, directed the petitioner to



deposit 20% of the amount claimed under Section 45-A order. The petitioner deposited 20% of the amount claimed under Section 45-A order before the Labour Court, Chennai and thereafter the appeal was numbered as O.P.No.69 of 2025. The petitioner states that the Principal Labour Court, Chennai, allowed the the stay petition, on condition that the petitioner deposits 30% of the claim under Section 45-A order. The petitioner filed an extension petition praying for 2 weeks time to pay the further deposit of 30%, but the Principal Labour Court dismissed the stay petition by rejecting the petitioner's claim for extension of time. Aggrieved by the impugned order passed in I.A.No.2 of 2025 in O.P.No.69 of 2025 on 08.07.2025, the petitioner has filed the above Writ Petition.

3. The learned counsel for the petitioner submits that there is apparent error in the 45-A order with respect to the arithmetical calculation of the contribution. The counsel submitted that even though the petitioner pointed out that the actual amount payable was only Rs.42,57,792/-, due to arithmetical miscalculation in the 45-A order, an amount of Rs.77,41,440/- was claimed.

4. The learned counsel for the petitioner submits that 20% of the amount of Rs.77,41,440/-, i.e., Rs.15,48,288/- was already deposited towards waiver petition. It is prayed that the petitioner may be permitted to remit the balance



30% by taking the actual amount payable under 45-A order as Rs.42,57,792/-. It is seen that if the said figure is accepted, the petitioner would have paid approximately 35% of the amount in the waiver petition, and the balance payable as per the stay order would be only Rs.5,80,608/-.

5. The learned counsel submits that the petitioner is prepared to pay Rs.5,80,608/- and upon such payment the total remittance of Rs.21,28,896/- would represent 50% of the amount of Rs.42,57,792/-, which is the actual liability under the 45-A order.

6. I find merit in the said submission. The total amount payable under both the waiver order and the stay order aggregates to 50% of the sum determined under the 45-A order. The first respondent has calculated the amount in the following manner:

Contribution 4% x Assumed Wages Rs.11,550/- x Assumed No. of employees 192 x No. of months 48 = 42,57,792. Divided by 100 = 42,57,792/-

7. However, the authority has erroneously stated the amount as Rs.77,41,440/- instead of Rs.42,57,792/-. The discrepancy is purely an arithmetical error. Hence, the submission of the learned counsel for the petitioner that only the balance of Rs.5,80,608/- being 50% of the 45-A order is payable is fair and reasonable.



8. In view of the above discussions, the Writ Petition is disposed of with the following directions:

- i) The petitioner is directed to pay the balance amount of Rs.5,80,608/- within a period of two weeks, from the receipt of web copy of the order. Upon such payment, the petitioner would have remitted Rs.21,28,896/-, representing 50% of the amount determined under Section 45-A order.
- ii) The respondent shall receive the amount of Rs.5,80,608/- on the strength of the web copy, and upon such receipt within the stipulated time, the Principal Labour Court, shall take up the stay petition and pass appropriate orders in accordance with law and on merits.
- iii) The second respondent shall not initiate any coercive action until the petitioner's stay petition in I.A.No.2 of 2025 in OP.No.69 of 2025 is taken for consideration by the Principal Labour Court.

9. With the aforesaid directions, the Writ Petition is disposed of. No costs.

Consequently, connected miscellaneous petitions are closed.

28-11-2025

pvs

Index: Yes/No

Speaking/Non-speaking order

Internet: Yes

Neutral Citation: Yes/No



To

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N.MALA J.
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