



WP(MD). No.2040 of 2022

BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

Dated : 31.10.2025

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THE HONOURABLE MR. JUSTICE B.PUGALENDHI

WP(MD)No.2040 of 2022

and

WMP(MD)Nos.1752 and 1753 of 2022

M/s.Sri Krishnasamy Fire Works Industries,
Represented through its Authorized Signatory
and one of its Partner
K.Raju,
S/o.S.Krishnasamy,
No.2/437, Sannasipatti,
Duraismampuram Village,
Villampatti Post,
Sivakasi – 626 124,
Virudhunagar District.

... Petitioner

Vs.

1. The Deputy Director,
Employees' State Insurance Corporation,
Sub-Regional Office,
2nd West Street, K.K.Nagar,
Madurai – 625 020.
2. The Recovery Officer,
Employees' State Insurance Corporation,
Sub-Regional Office,
2nd West Street, K.K.Nagar,
Madurai – 625 020.



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3. The Branch Manager,
State Bank of India,
No.11, Sudar Complex,
Velayutham Road,
Sivakasi – 626 123,
Virudhunagar District.

... Respondents

Writ Petition filed under Article 226 of the Constitution of India, praying for the issuance of a Writ of Certiorarified Mandamus to call for the records of the impugned Garnishee Order passed by the 2nd respondent under No.57/RRC/00/071848/000/0304/SRO/MDU/20 dated 05.10.2020 and quash the same as illegal and consequently direct the respondents 1 and 2 to refund the sum of Rs.3,17,000/- with interest to the petitioner and defer all recovery proceedings, based on the order of the 1st respondent in Ref.No.57-R/13/45/DB/BF/SRO/MDU/2018, dated 01.07.2019 till the disposal of the ESIOP No.5 of 2021 & O.P.No.10 of 2021 pending on the file of the Presiding Officer, Labour Court, Madurai.

For Petitioner	: Mr.M.Purushothaman
For R1 and R2	: Mr.R.Ravikumar
For R3	: Mr.V.P.Rajan

ORDER

This writ petition has been filed by M/s.Sri Krishnasamy Fire Works Industries, challenging the garnishee order dated 05.10.2020,



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passed by the Employees' State Insurance Corporation under Section 45G of the ESI Act, 1948. This garnishee order has been issued pursuant to the damages imposed under Section 68 of ESI Act.

2. In fact, the petitioner has filed a statutory appeal as against the order passed under Section 68 of ESI Act and the same is pending before the appellate authority. The appellate authority has entertained the appeal and also granted an interim order on 11.11.2020. However, in the meantime, the granishee order was effected on 07.12.2020. Since the garnishee order was issued prior to the grant of stay, this Court cannot find fault with the Department in recovering the amount. The Bank is also not aware of the interim order passed by the appellate authority on 11.11.2020 and the amount, which has already been attached, has been remitted to the account of the ESI Corporation.

3. Since the petitioner has filed an appeal before the appellate authority, the appellate authority is directed to conclude the proceedings within a period of four months from the date of receipt of a copy of this order. The amount, which is recovered pursuant to the garnishee order, is



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subject to the outcome of the appeal.

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4. Accordingly, this writ petition is disposed of. No costs.

Consequently, connected miscellaneous petitions are closed.

31.10.2025

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Index : Yes / No.

Internet: Yes / No.

NCC : Yes / No.

To

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