



W.P(MD)No.16525 of 2019

BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

DATED: 15.09.2025

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CORAM:

THE HONOURABLE MR.JUSTICE B.PUGALENDHI

W.P(MD)No.16525 of 2019 and
WMP(MD) No.13176 of 2019

D.Sekar

... Petitioner

Vs

1.Employees State Insurance Corporation,
Rep. by its Deputy Director,
Sub Regional Office (Madurai),
2nd West Street, K.K.Nagar, Madurai-20.

2.The Recovery Officer,
Employees State Insurance Corporation,
Sub Regional Office (Madurai),
2nd West Street,
K.K.Nagar,
Madurai-20.

...Respondents

PRAYER:- Writ Petition filed under Article 226 of the Constitution of India, praying this Court to issue a Writ of Certiorarified Mandamus, to call for the records relating to the impugned order bearing No.57-00- 041324 -000-0606/ INS.I./ SRO/ MDU/ PH/ Adhoc/ 526/18 dated 01.10.2018, passed by the first respondent and the consequential order bearing No. 57/RRC/00/041324/000/0606/SRO/MDU/18 dated 19.06.2019.



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For Petitioner : Mr.A.Sivaji
For Respondents : Mr.P.Ganapathy Samy

ORDER

The petitioner is engaging in the business of making/assembling of trailer parts and other agricultural equipment. He has filed this writ petition as against the order passed by the respondent, under Section 45G of the ESI Act, 1948, determining and demanding ESI contribution for the period from July 2016 to June 2018.

2.The learned counsel appearing for the petitioner submits that the petitioner is the proprietor of M/s. Modern Trailors and his Company was covered under the ESI Act, as 15 employees were working in his Company initially. The petitioner claims that due to heavy downfall in the business, the employees working in the petitioner Company have been drastically reduced to 5 in number. Therefore, the ESI Act will not be applicable to the petitioner Company. Even then, the respondents have passed an order under Section 45G of the ESI Act, 1948, as there is non-payment of ESI contribution by the petitioner.



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3.Mr.P.Ganapathy Samy, learned counsel appearing for the respondents submits that the ground raised by the petitioner cannot be sustained, in view of the provision under Section 1(6) of the EST Act, 1948, which reads as under:-

"(6)A factory or an establishment to which this Act applies shall continue to be governed by this Act notwithstanding that the number of persons employed therein at any time falls below the limit specified by or under this Act or the manufacturing process therein ceases to be carried on with the aid of power."

4.In view of the above provision of law, this writ petition is dismissed. No costs. Consequently, connected Miscellaneous Petition is closed.

15.09.2025

NCC: Yes/No
Index:Yes
Internet:Yes
vrn



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B.PUGALENDHI, J.

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W.P(MD)No.16525 of 2019 and
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