

WP(MD)Nos.23063 and 23064 of 2025

BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

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DATED: 25.09.2025

CORAM:

THE HONOURABLE MR.JUSTICE B.PUGALENDHI

WP(MD)Nos.23063 and 23064 of 2025

and

W.M.P.(MD)Nos.18122, 18123, 18128 and 18130 of 2025

W.P.(MD)Nos.23063 of 2025

M/s.Sun (Tamil Nadu) Security Management
Services Pvt. Ltd.,

Rep. by its Managing Director

Mr.V.Vijimon,

Plot No.10, D.No.30,

Ground Floor, Ashok Nagar 3rd Street,

Kochadai, Melakkal Road,

Madurai – 625 016.

... Petitioner

versus

1. The Recovery Officer,
Employees State Insurance Corporation,
Office of the Recovery Office,
Sub Regional Office,
2nd West Street,
K.K.Nagar,
Madurai – 625 020.

2. The Branch Manager,
M/s.IDBI Bank,
Bye-pass Road Branch,
27, 12A, ATP Towers,
Bye-pass Road,
Madurai – 625 010.

... Respondents



WP(MD)Nos.23063 and 23064 of 2025

WEB COPY Writ Petition filed under Article 226 of the Constitution of India, praying for the issuance of a Writ of Certiorari, to call for the records relating to the impugned recovery certificate in 57-00-020582-000-1018 dated 18.08.2025 insofar as it relates to serial No.11 and 14 is concerned and the consequential impugned Garnishee order passed by the 1st respondent in No. 57/RRC/00/020582/000/1018/SRO/MDU dated 19.08.2025 and quash the same as illegal.

For Petitioner : Mr.Jerin Mathew
For R1 : Mr.N.Dilipkumar
For R2 : Mr.J.Prabakaran

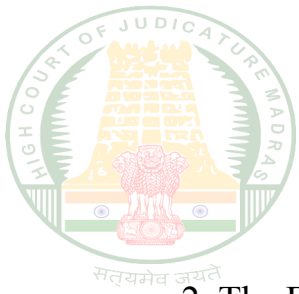
W.P.(MD)Nos.23064 of 2025

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2. The Branch Manager,
M/s.Karur Vysya Bank,
Palanganatham Branch,
67-68, T.P.K.Road,
Near Agrini Apartments,
Vasantha Nagar,
Palangantham,
Madurai – 3.

... Respondents

Writ Petition filed under Article 226 of the Constitution of India, praying for the issuance of a Writ of Certiorari, to call for the records relating to the impugned recovery certificate in 57-00-020582-000-1018 dated 18.08.2025 insofar as it relates to serial No.11 and 14 is concerned and the consequential impugned Garnishee order passed by the 1st respondent in No. 57/RRC/00/020582/000/1018/SRO/MDU dated 19.08.2025 and quash the same as illegal.

For Petitioner : Mr.Jerin Mathew
For R1 : Mr.N.Dilipkumar
For R2 : Mr.V.Sukumar

COMMON ORDER

The petitioner is a Private Security Agency covered under the Employees' State Insurance (ESI) Act, 1948. The petitioner Agency has not paid the ESI contribution regularly. Therefore, the first respondent/ESI Corporation has initiated proceedings as against the petitioner Agency and



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also passed series of orders fixing the liability to be paid by the petitioner Agency. The petitioner Agency has disputed the calculation made by the ESI authority and they have paid only a part amount. In these circumstances, the first respondent has passed a Garnishee order in No. 57/RRC/00/020582/000/1018/SRO/MDU, dated 19.08.2025, under Section 45-G of the ESI Act and also attached the bank accounts of the petitioner Agency lying with M/s.IDBI Bank and M/s.Karur Vysya Bank. Challenging the Garnishee order, the petitioner Agency has filed these writ petitions.

2. The learned counsel appearing for the petitioner submits that in view of the Garnishee order and attachment of the Bank Accounts, the petitioner Agency is not in a position to disburse the salary to its employees. The petitioner Agency has also expressed its difficulties during the Pooja festivals and the forthcoming Deepavali festival. The petitioner Agency is having a dispute with regard to the payment made in the recovery certificate in Serial Nos.11 and 14 and the litigation is pending before this Court in CMA(MD)No.179 of 2025. With regard to the claim of the first respondent in Serial No.15, the petitioner Agency has also filed a petition before the Labour Court, Madurai, in ESIOP No.48 of 2025 and also obtained an interim order.

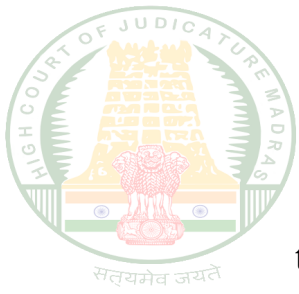


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3. The learned counsel for the petitioner further submits that though the petitioner Agency is having a dispute with regard to the payment made in the recovery certificate in Serial Nos.11 and 14 and the litigations are pending before this Court in CMA(MD)No.179 of 2025 and before the Labour Court, Madurai, ESIOP No.48 of 2025, the petitioner Agency is prepared to deposit a sum of Rs.4,91,280/- which is 30% of the liability without prejudice to its other claims and also undertake to pay the balance amount of Rs.16,37,637/- in six equated monthly installments subject to its claims in the proceedings which are pending in CMA(MD)No.179 of 2025 and also before the Labour Court, Madurai, in ESIOP No.48 of 2025. The learned counsel further submits that the petitioner Agency is having a credit of Rs.40 lakhs in Karur Vysya Bank. The learned counsel has also filed an undertaking affidavit before this Court.

4. The undertaking affidavit filed by the petitioner Agency is recorded as under:

“3. I respectfully state that this Hon'ble Court by its order dated 22.08.2025 was pleased to grant an order of interim stay of the impugned proceedings in the writ petition and the matter is pending as such. While the matter stood



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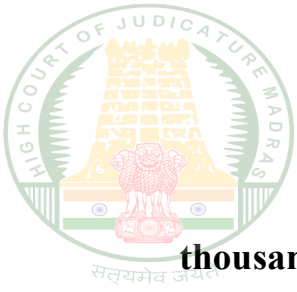
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thus the respondents had produced their proceedings in 57-00-020582-1018 dated 23.09.2025 stating that as if I had an ESI due of Rs.16,37,637/- as on the said date. The above amount had been arrived after including the entire amount remitted by me and recovery by them from the bank concerned.

4. I respectfully state that subject to question the correctness of the calculation made by the respondents herein after I hereby undertake to remit 30% of the above amount viz., Rs.4,91,280/- and also to remit the balance amount due in six equated monthly installments without fail. I am remitting this amount without prejudice to my rights to contest the matter on merits in pending in CMA(MD)No.179 of 2025 on the file of this Hon'ble Court and ESIOP No.48 of 2025 pending on the file of the Hon'ble Labour Court, Madurai.”

5. Considering the difficulties expressed by the petitioner Agency that they are not in a position to pay salary to their employees and also considering the undertaking affidavit filed before this Court, these writ petitions are disposed of with the following directions:

(i) Since the petitioner Agency is having a credit of Rs.40 lakhs in Karur Vysya Bank, **the second respondent in W.P.(MD)No.23064 of 2025 is directed to remit a sum of Rs.4,91,280/- (Rupees four lakhs ninety one**



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thousand two hundred and eighty only) to the credit of ESI Corporation

forthwith. On credit of this amount, the respondent Banks shall allow the petitioner Agency to operate their bank accounts.

(ii) The petitioner Agency has to comply with the undertaking of payment in six equated monthly installments as undertook before this Court scrupulously, by remitting the installment on or before 5th day of every month commencing from November 2025.

(iii) The lifting of bank accounts is subject to the payment of monthly installments and if there is any failure on the part of the petitioner Agency in making the payment as undertook before this Court, the attachment shall stand restored.

(iv) The payment made by the petitioner Agency is without prejudice to its claims pending before this Court in CMA(MD)No.179 of 2025 and also before the Labour Court, Madurai, in ESIOP No.48 of 2025.

No costs. Consequently, connected miscellaneous petitions are closed.

25.09.2025

NCC : Yes/No

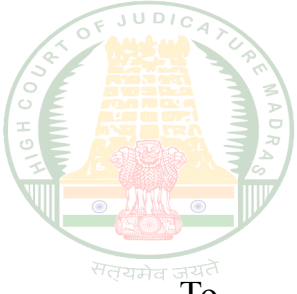
Index : Yes/No

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