IN THE HIGH COURT OF PUNJAB AND HARYANA
AT CHANDIGARH

(162) **CR No. 8774 of 2025 (O&M)**
Date of Decision : 02.12.2025

M/s Sapphire Foods India Limited

...Petitioner

Versus

Employees' State Insurance Corporation and others

...Respondents

CORAM: HON'BLE MR. JUSTICE AMARINDER SINGH GREWAL

Present: Mr. Ashwani Talwar, Senior Advocate with
Mr. Deepak Goyat, Advocate for the petitioner.

***

Amarinder Singh Grewal, J.

CM-24012-CII-2025

Application is allowed, as prayed for.

CR No. 8774 of 2025

1. The present Civil Revision Petition has been filed under Article 227 of the Constitution of India read with Section 52(2) of the Code of Social Security, 2020 and Section 82 of the Employees' State Insurance Act, 1948 for staying the operation, effect and enforcement of the Demand Notice dated 17.10.2025 (Annexure P-2) issued by respondent No. 1 during the pendency of Petition No. ESIC/12/2025 before the Learned Employees' Insurance Court as well as for restraining the respondents from taking any coercive steps against the petitioner-Company, including but not limited to attachment of movable or immovable properties, freezing or seizure of bank

accounts or any other mode of recovery, during the pendency of the proceedings before the Learned Employees' Insurance Court.

2. A perusal of the record reveals that the petitioner-Company, M/s Sapphire Foods India Limited has filed a petition under Section 75(1) (G) of The Employees' State Insurance Act, 1948 before the learned Employees' Insurance Court for resolution of the dispute regarding the legality and maintainability of the Demand Notice dated 17.10.2025 issued by respondent No. 2 upon the petitioner and also with regard to the question as to whether the proposed contribution, interest and damages etc. are liable to be borne by the petitioner-Company or by respondent No. 3-M/s A.N. Traders Private Limited.

3. Along with the said petition, two applications i.e. application seeking exemption of pre-deposit under Section 75(2B) of The Employees' State Insurance Act, 1948 and application under Order XXXIX Rule 1 & 2 read with Section 151 of the Code of Civil Procedure for the grant of ad-interim injunction were filed before the learned Civil Judge (Sr. Divn.), Chandigarh. Learned Civil Judge (Sr. Divn.), Chandigarh vide impugned order dated 18.11.2025 (Annexure P-6) had issued the notice of the petition filed under Section 75(1) (G) of The Employees' State Insurance Act, 1948 as well as the accompanying applications for 08.12.2025.

4. Learned counsel for the petitioner has submitted that in the order dated 17.10.2025, the Recovery Officer, Sub-Regional Office, ESIC, Ludhiana directed the petitioner to deposit all pending dues promptly through the 'Recovery Challan' link on the ESIC Portal or by way of demand draft in favour of ESI Fund Account No. 1. The said order also stipulates

that failure to deposit the aforesaid dues within ten days of receipt of the notice shall result in initiation of compulsory recovery action under Sections 45(c) to 45(t) of the ESI Act read with Schedules II and III of the Income Tax Act, 1961, which may include attachment of movable or immovable properties, seizure of bank accounts, arrest etc. of the petitioner.

5. It has, therefore, been contended that the operation of the order dated 17.10.2025 deserves to be stayed till the adjudication of the application under Order XXXIX Rule 1 and 2 CPC and that the learned Civil Judge (Sr. Divn.) be directed to dispose of the said application in a time bound manner.

6. In view of the order proposed to be passed, notice is not being issued to the respondents as it would unnecessarily delay the proceedings and also entail additional expenses for the respondents.

7. Having heard learned counsel for the petitioner and without expressing any opinion on the merits of the case, the learned Civil Judge (Sr. Divn.), Chandigarh is directed to consider and dispose of the petitioner's application under Order XXXIX Rule 1 and 2 read with Section 151 CPC, after affording due opportunity of hearing to all concerned, either on the date already fixed i.e. 08.12.2025 or as expeditiously as possible and in any case within a period of 15 days thereafter, upon receipt of reply from the respondents, strictly in accordance with law.

8. Till the decision of the application under Order XXXIX Rules 1 and 2 read with Section 151 CPC, the operation, effect and enforcement of the order/demand notice dated 17.10.2025 shall remain stayed.

9. Pending miscellaneous application, if any, also stands disposed of.

10. The Civil Revision Petition stands disposed of accordingly.

(AMARINDER SINGH GREWAL)
JUDGE

December 02, 2025
kanchan

Whether speaking/reasoned : Yes

Whether reportable : No