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W.P.No.3935 of 2026



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IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 12-02-2026

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THE HONOURABLE MR.JUSTICE D.BHARATHA CHAKRAVARTHY

W.P.No.3935 of 2026

and

W.M.P.No. 4380 of 2026

M/s.Soundararaja Mills Ltd.,
S540 Kamarajar Salai,
Nedungadu, Karaikal,
Puducherry 609603
Rep. by its General Manager.

Petitioner

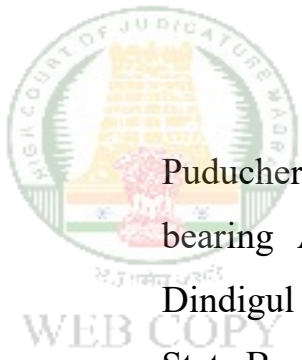
Vs

The Recovery Officer,
Employees State Insurance Corporation,
Regional Office, ESI Complex,
Bouvankare Street,
Muraliarpet, Puducherry 605004.

Respondent

PRAYER

Writ Petition has been filed under Article 226 of the Constitution of India praying to issue a Writ of Mandamus directing the respondent to permit the petitioner to remit the sum of Rs.42,88,951/- due in terms of Garnishee order dated 07.01.2026 in proceedings No.PDY/RECY/45(G)55-00-013043-000-0101 in 15 equated monthly instalments and further direct the respondent to revoke the Garnishee order dated 07.01.2026 issued to the State Bank Of India,



Puducherry branch and permit the petitioner to operate its Bank Account bearing Account No.10832886587 maintained with State Bank of India, Dindigul SME Branch and bearing Account No.10832664019 maintained with State Bank of India, Salai Road Branch, Dindigul.

For Petitioner Mr.G.Anandagopalan, for
M/s ADVIT Law Chambers

For Respondent Dr.D.Simon

ORDER

The writ petition is filed praying to revoke the garnishee order dated 07.01.2026 and to permit the petitioner to operate the bank accounts.

2. Upon hearing the learned counsel for the petitioner and perusing the material records of this case, the grievance of the petitioner is that the petitioner's mill had difficulty in complying with the orders and, therefore, was unable to comply with the remittances. The order determining the liabilities has already been passed; however, the petitioner's concern is to settle its workers and the mill is permanently closing down.

3. When the petitioner already approached this Court in W.P. No. 9659 of 2023, this Court granted that the balance due be paid in 12 equal monthly installments, which was also not paid. Now, the petitioner should be permitted to operate the bank account in order to settle the workmen. The petitioner is also offering properties as collateral security; at least one property out of the two, is



completely unencumbered. Even the factory premises will become unencumbered, as the attachment is in respect of the workers due, which the company is now settling. The company will settle the entire dues, if further indulgence is given by this Court by giving instalments.

4. Per contra, the learned counsel taking notice on behalf of the respondent at this juncture would submit that the Court has already shown indulgence by the order in W.P. No. 9659 of 2023, and the petitioner has defaulted. No further equitable remedy can be granted. If the attachment of the account is lifted and the money is also disbursed and thereafter it will be difficult for the Corporation to realise the dues. In any event, at least 50% of the amount shall be deposited upfront.

5. I have considered the rival submissions made on either side and perused the material records of the case.

6. As rightly contended by the learned counsel for the respondent, once the petitioner defaults on the monthly installments granted by this Court, thereafter, the same cannot be granted second time. However, in this case, the subsequent developments pleaded are that the petitioner mill is closing down and settling the workmen, and unless the accounts are permitted to be operated, the workmen's dues can not be settled. Further, an additional affidavit has been filed stating that the petitioner is offering the factory premises at S540 Kamarajar Salai, Nedungadu, Karaikal, Puducherry State 609603, to an extent



of 27 acres and another land covered under Document No. 818 of 1992, situated in Ward 'C', Block No. 13, bearing Town Survey No. 1/3, R.S. No. 239/3, corresponding to Old S.Nos. 3/1, 3/2, and 2/1, covered under Patta No. 238, having a total extent of 18.51 acres situated at Adiyanoothu Village, Dindigul District, which is an unencumbered property, will not be alienated by the petitioner until the entire dues are cleared.

7. In view thereof, in order to enable the petitioner to permanently settle the matter, I am of the view that, one more opportunity can be granted. However, with additional conditions and terms, this Writ Petition is disposed of on the following terms:

(i) From the Accounts that are attached by the respondent, namely Account Number 10832886587 of the State Bank of India, Dindigul, SME Branch, and Account Number 10832664019 of the State Bank of India, Salai Road Branch, Dindigul, totalling Rs. 8,00,000/-, as per availability, can be withdrawn and credited towards the petitioner's dues. Upon such credit, the freezing of the bank accounts shall lapse and the petitioner will be permitted to operate both the accounts.

(ii) The petitioner shall pay the balance amount due in 15 equal monthly installments. The first installment shall commence in the month of March 2026 and each installment shall be paid on or before the 5th of the respective calendar month.



(iii)The petitioner shall deposit before the respondents, the notarised copies of the title deeds in respect of both properties mentioned in the additional affidavit within one week from the date of receipt of the web copy of the order.

(iv)The undertaking given by the petitioner that he will not alienate both the above said properties, until the entire balance outstanding is cleared, is recorded. It is made clear that no further indulgence will be shown. If the petitioner defaults even in a single monthly installment, it will be open for the respondent to take such steps to pass orders of attachment in respect of the above immovable properties, bring them for sale, and again freeze the two bank accounts and take such other measures. No costs. Consequently, the connected Miscellaneous Petition is closed.

12-02-2026

Neutral Citation:No
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To
The Recovery Officer
Employees State Insurance Corporation Regional
Office, ESI Complex, Bouvankare Street,
Muraliarpet Puducherry 605004.



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D.BHARATHA CHAKRAVARTHY, J.

Today, this writ petition is listed under the caption “for being mentioned” at the instance of the learned counsel for the petitioner.

2. The learned counsel for the petitioner submits that, in the order dated 12.02.2026 made in W.P.No.3935 of 2026, in Paragraph No. 6, the land situated in Survey No.1/3, R.S.No.239/3, corresponding to Old S.Nos.3/1, 3/2 and 2/1, covered under Patta No.238, having a total extent of 18.51 acres, has been wrongly mentioned as ‘Adiyanoothu Village, Dindigul District’ instead of ‘Nedungadu, Karaikal’.

3. In view of the above, the Registry is directed to delete the entry ‘Adiyanoothu Village, Dindigul District’ and substitute the same with ‘Nedungadu, Karaikal’ in Paragraph No. 6 of the order and issue a fresh copy of the order.

18.03.2026

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