



WEB COPY

WP No. 18481 of 2



IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 03-06-2026

CORAM

THE HON'BLE MR.JUSTICE K. SURENDER

**WP No. 18481 of 2026
and W.M.P. No.19819 of 2026**

M/s. Summit Tools Corporation,
Represented by its Partner Huzefa Millwala,
25/13, Mooker Nalla Muthu Street, Broadway,
Chennai, Tamil Nadu 600001.

..Petitioner(s)

Vs

1. The Recovery Officer,
Employees State Insurance Corporation (ESIC),
Regional Office, 143, Sterling Road,
Nungambakkam, Chennai 600034.
2. The Bank Manager,
Axis Bank,
No.167 /47, Ground and 1st Floor,
Elephant Gate St. Sowcarpet, VOC Nagar,
Chennai, Tamil Nadu 600001.

..Respondent(s)

PRAYER – This Writ Petition is filed under Article 226 of the Constitution of India, seeking for a Writ of Mandamus, calling for the records of the 1st Respondent in Ref.No.TN/RECY/45G/51001096820001002 dated 01/04/2026, quash the same as being illegal, arbitrary and in violation of the principles of natural justice and direct the 1st respondent to recredit the amount, if any, recovered against the impugned order.

For Petitioner:

Mr.S.Satheesh Kumar

For Respondents:

Mr.K.Siddharth

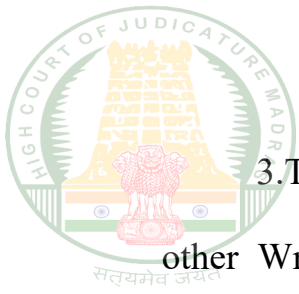


ORDER

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This Writ Petition is filed seeking to call for the records of the 1st respondent in Ref.No.TN/RECY/45G/51001096820001002 dated 01/04/2026, quash the same as being illegal, arbitrary and in violation of the principles of natural justice and direct the 1st respondent to recredit the amount, if any, recovered against the impugned order.

2.The petitioner, who is a business entity, was engaged in Trading activities of engineering tools and hardware conducted from its premises at Broadway, Chennai. According to the petitioner, they did not fall under the definition of a ‘factory’ or ‘establishment’ as contemplated under the ESI Act, 1948, since they have employed staffs less than the threshold limit of 10 persons required as per the said Act. While so, the 1st respondent, alleging arrears for various periods, attached the bank account of the petitioner with the 2nd respondent vide impugned attachment order dated 01.04.2026. The 2nd respondent bank, after acknowledging the impugned attachment order, on 16.04.2026, frozen the petitioner’s bank account, stalling all the day-to-day business operations. Aggrieved by the order of recovery dated 01.04.2026, the petitioner approached this Court and filed the present Writ Petition.



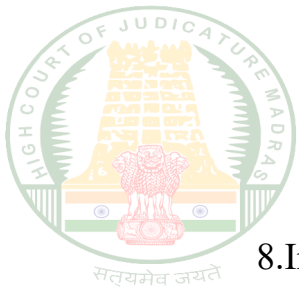
3. This Court, by an order dated 30.04.2026, disposed of a petitioner's one other Writ Petition in W.P.No.17687 of 2026, directing the outstanding of Rs.7,52,747/- to be paid in 10 equal monthly instalments. In the said Writ Petition, the HDFC Bank Manager was made as a party/2nd respondent.

4. Now the present Writ Petition is filed making the Axis Bank Manager as a party/2nd respondent.

5. It is contended that the petitioner's account lie in both the banks. It is further submitted by the learned counsel for the petitioner that on the date of the order, i.e., 30.04.2026, the 1st respondent effected recovery of Rs.5,94,987/- from the Axis Bank account.

6. It is needless to say that both these cases pertain to very same order of recovery. Since this Court, on 30.04.2026, has deemed it appropriate to consider the prayer of the petitioner and direct payment of the outstanding in 10 equal monthly instalments, the recovery made on 30.04.2026 to the tune of Rs.5,94,987/- is incorrect.

7. Learned counsel for the respondents also fairly concedes that the order was passed on the said date, giving the petitioner an opportunity of paying back the amount in 10 monthly instalments.



8. In the present facts of the case, it is directed that in accordance with the order dated 30.04.2026, the amount as on date which is outstanding shall be retained by the Recovery Officer/1st respondent and the remaining amount shall be returned. Needless to say any default in payment of any of the instalments as directed in the Writ Petition in W.P.No.17687 of 2026, Recovery Officer shall be at liberty to proceed in accordance with law.

9. In the result, this Writ Petition is allowed. No costs. Consequently, connected Miscellaneous Petition is closed.

K.SURENDER, J.

03-06-2026

Index: Yes/No
Speaking/Non-speaking order
Neutral Citation: Yes/No

Note : Issue order copy on 04.06.2026.

GSA

To

1. The Recovery Officer,
Employees State Insurance Corporation (ESIC),
Regional Office, 143, Sterling Road,
Nungambakkam, Chennai 600034.
2. The Bank Manager,
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