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IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 30-10-2026

CORAM

THE HON'BLE MR JUSTICE C. SARAVANAN

WP No. 20848 of 2021

and WMP.No.22112 of 2021

CNR: {HCMA011206142021}

Dr.R.R.Surendran
S/o. Ramacharry Former Managing Director M/s. Southern Research Foundation For Renal Sciences (P) Ltd, Kideny Park Hosipital Old No. 14F / New No. 16 Ramnagar Trichy 620 018

..Petitioner(s)

Vs

1. The Deputy Director
   Sup Regional office (Salem) Employees State Insurance Corporation (Ministry of Labour and Employment Governemnt of India) 39/ Theerthamalai Vaniga Valagam Three Roads Salem 636 009

2. The Social Security officer
   ESIC Branch office Trichy Division Trichy

..Respondent(s)

Prayer: Writ petition filed under Article 226 of the Constitution of India, praying to issue a Writ of Certiorari to call for the records relating to the three notice issued by the 1st respondent Nos. 6300093625000 1401 / NS. I / SRO / S.L.M dated 06.08.2020 and No. 63000936250001401 / SRO / SLM / INS.I / C18 (Actual) / 79 / 20 dated 06.08.2020 for payment of Rs 1,07,778/- (Rupees One Lakh seven Thousand Seven hundred and seventy Eight) and No. 63000936250001401 / Ins.II / SRO / Slm / C 19 / 79 / 20 dated 18.08.2021 to pay as per the Application Under section 45-C to 45-1 of the ESI Act 1948 (As Amended) sum of Rs 1,07,778 /- as Regular contribution for the period from 5/12 to 06/13 plus Rs.1,13,415/- as interest at the rate of 12% per annum for

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each day of delay / default up to the date of this application to the Employees' State Insurance Corporation. The total amount thus works out to Rs.2,21,193/- (Rupees Two Lakhs Twenty Thousand One Hundred and Ninety Three Only) only from the petitioner which was already paid by the petitioner Institution before closed in the file of the Deputy Director, Sub Regional Office (Salem), Employees' State Insurance Corporation, 39/57, Theethamalai Vaniga Valagam, Three roads, Salem – 636 009 and quash the same and pass such further or other order as this Court may deem fit and proper.

For Petitioner(s): M/s Dr.R.Rajagobal

For Respondent(s): M/s. G. Narmadha
for R1 & R2

ORDER

The present writ petition has been filed for issuance of a Writ of Certiorari to call for the records relating to the three notice issued by the 1st respondent Nos. 6300093625000 1401 / NS. I / SRO / S.L.M dated 06.08.2020 and No. 63000936250001401 / SRO / SLM / INS.I / C18 (Actual) / 79 / 20 dated 06.08.2020 for payment of Rs 1,07,778/- (Rupees One Lakh seven Thousand Seven hundred and seventy Eight) and No. 63000936250001401 / Ins.II / SRO / Slm / C 19 / 79 / 20 dated 18.08.2021 to pay as per the Application Under section 45-C to 45-1 of the ESI Act 1948 (As Amended) sum of Rs 1,07,778 /- as Regular contribution for the period from 5/12 to 06/13 plus Rs.1,13,415/- as interest at the rate of 12% per annum for each day of delay

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/ default up to the date of this application to the Employees' State Insurance Corporation.

2. The petitioner is the Managing Director of M/s.Southern Research Foundation for Renal Science (P) Ltd., Trichy 620 018 has challenged the impugned recovery notice calling upon the said Company to pay a sum of Rs.1,07,778/- for the period between May 2012 to January 2013, though the impugned order states June 2013. The said Company came within the purview of the ESI Act, 1948 with effect from 02.05.2012. In this connection a communication was also addressed by the Director of ESI on 27.08.2012.

3. The said Company however was unable to continue the activity for which it was incorporated and was eventually closed with effect from 01.01.2013. To that effect a communication was also addressed by the authorised signatory of the said Company to the Deputy Director of ESI Corporation at Salem on 12.04.2013 which was duly acknowledged on 22.04.2013. This has also been now confirmed by the Deputy Director namely the 2nd respondent herein vide communication dated 18-03-2021 of the 2nd respondent.

4. It is in this back ground, the authorised officer of the ESI Corporation filed an application under Section 45 C to 45 I of the ESI Act for recovering a

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sum of Rs.1,07,778/- being the regular contribution which the said company ought to have made for the period between May 2012 to June 2013 together with interest @ 12% calculated at Rs.2,21,193/-.

5. The argument of the learned counsel for the petitioner is that the Directors of the Company have left and that their accountant passed away and that the payments were made then and there when they become due. It is submitted that the petitioner who is the Director of the said Company is a senior citizen and that the recovery proceedings have been initiated after lapse of eight years.

6. It is further submitted that the Director was also a partner of yet another hospital namely Easwari Nursing Home, where similar notices were issued and were withdrawn and therefore it has to be assumed that there is a mistake in the demand made in the impugned demand notice.

7. I have considered the arguments made on either side and perused the available materials on record.

8. The amounts that is being demanded from the Company is based on the declarations made by the Company regarding the salary and the contributions to be made by the said Company as an employer under the provision of ESI Act,

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1948.

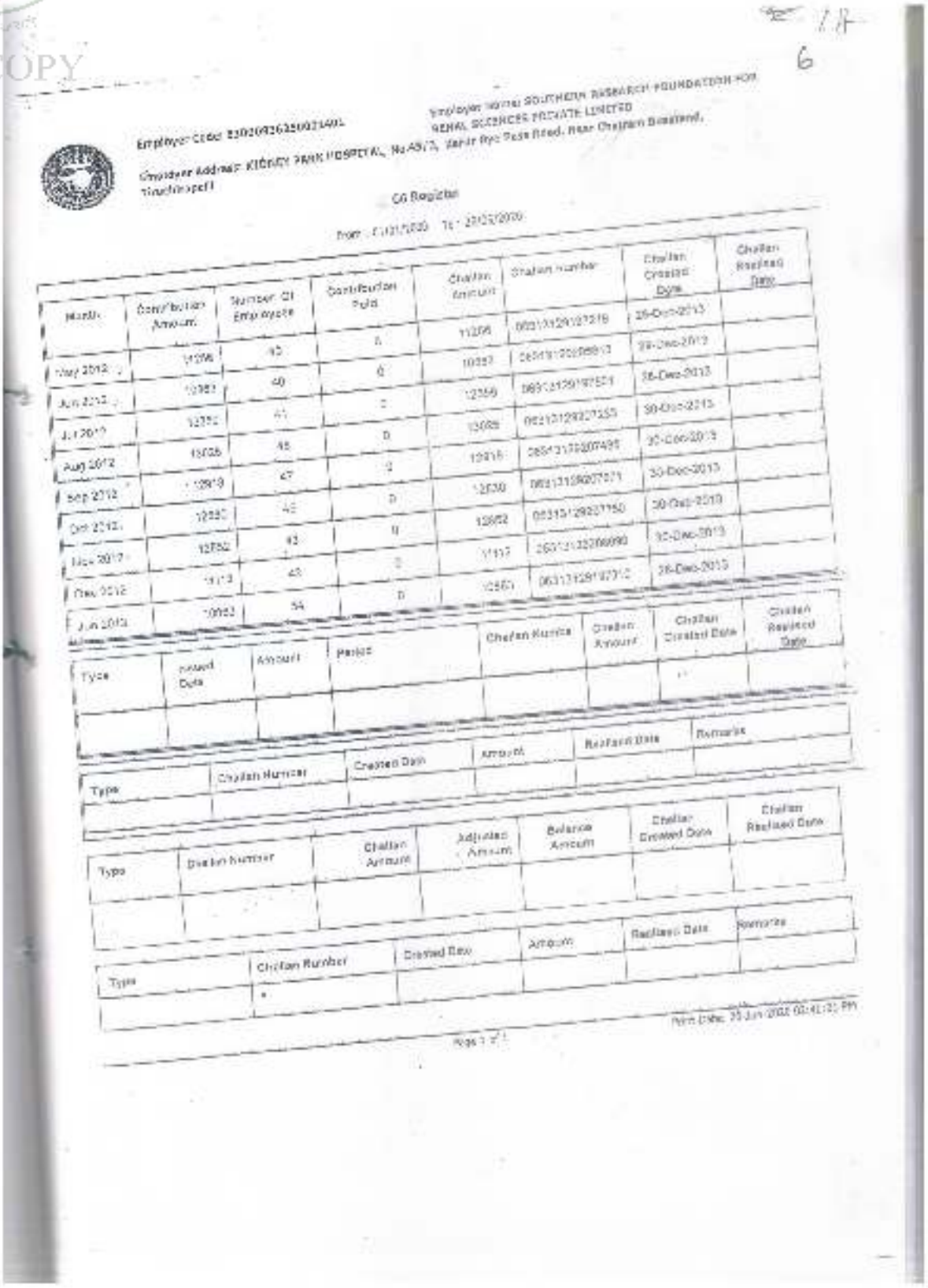
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9. The learned counsel for the respondents fairly concedes that as far as the demand for the month of June 2013 is concerned it is a mistake as it should have been January 2013. The statement of the learned counsel for the respondents stands recorded. Thus, the calculation of interest @ 12% up to June 2013 is incorrect and that the said company cannot be saddled with interest liability till June 2013. The interest will have to be therefore calculated on the amounts due between May 2012 to January 2013 and not till June 2013.

10. The record filed by the respondents also reveal that C6 register filed by the company has admitted the liability for the aforesaid period though by mistake June 2013 has been stated by the Company instead of January 2013. C6 register is extracted hereunder:-

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Employer Code: [illegible]

Employer Name: SOUTHERN RESEARCH FOUNDATION FOR RENAL SCIENCES PRIVATE LIMITED

Employer Address: KIDNEY PARK HOSPITAL, No.A5/3, Vanir Nyc Pura Road, Near Chetpet Boatland, Tiruchirapalli

CC Register

From : 01/01/2000 To : 23/03/2020

Month	Contribution Amount	Number Of Employee	Contribution Paid	Challan Amount	Challan number	Challan Created Date	Challan Realised Date
May 2012	11296	45	0	11296	0021012910273[illegible]	28-Dec-2012	
Jun 2012	10957	40	0	10957	0021012[illegible]	28-Dec-2012	
Jul 2012	12559	51	0	12559	0021012[illegible]	28-Dec-2012	
Aug 2012	13089	48	0	13089	0021012[illegible]	30-Dec-2012	
Sep 2012	12916	47	0	12916	0021012[illegible]	30-Dec-2012	
Oct 2012	12830	46	0	12830	0021012[illegible]	30-Dec-2012	
Nov 2012	12852	43	0	12852	0021012[illegible]	30-Dec-2012	
Dec 2012	11117	43	0	11117	0021012[illegible]	30-Dec-2012	
Jan 2013	10851	44	0	10851	0021012[illegible]	28-Dec-2012	

Type	Issued Date	Amount	Period	Challan Number	Challan Amount	Challan Created Date	Challan Realised Date

Type	Challan Number	Created Date	Amount	Realised Date	Remarks

Type	Challan Number	Challan Amount	Adjusted Amount	Balance Amount	Challan Created Date	Challan Realised Date

Type	Challan Number	Created Date	Amount	Realised Date	Remarks

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11. Corresponding challan numbers were also generated together with the challan amount with corresponding dates, however payments have not been made by the company.

12. Perhaps the petitioner being the Managing Director of the said Company had directed the compliance to be made by the subordinate staffs and since the activity itself came to be closed with effect from 31.12.2012, the compliances were not made after generating the respective challans for the period. If the payments were made, record would have revealed that such payments were made either through cash or by way of bank transfer. However, there are no records before this Court. The respondents have also stated that there are no documents to substantiate payments that were made against the respective challans.

13. Considering the same, this writ petition is liable to be dismissed since there are no documents to substantiate payment of contribution as admitted by the said Company was made. Therefore, the challenge to the impugned order /recovery notice cannot be countenanced. Therefore, the writ petition is liable to dismissed. However, I am inclined to grant a period of 6 months time to the petitioner to pay the amount due together with interest. In case the petitioner is able to establish that the amounts were indeed paid earlier, the amounts paid

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pursuant to this order shall be proportionately refunded back together with applicable interest under the provisions of Employee's State Insurance Act, 1948.

14. Accordingly, this writ petition stands dismissed. No costs. Consequently, connected miscellaneous petition is also closed.

30-10-2026

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

To

1. The Deputy Director
   Sup Regional office (Salem)
   Employees State Insurance Corporation
   (Ministry of Labour and Employment
   Government of India) 39/ Theerthamalai
   Vaniga Valagam Three Roads
   Salem 636 009

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