



*W.P(MD)No.16001 of 2022*

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BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

DATED: 03.03.2026

CORAM

**THE HONOURABLE MR.JUSTICE HEMANT CHANDANGOUDAR**

**Writ Petition(MD)No.16001 of 2022**

**and**

**W.M.P(MD)No.11567 of 2022**

S.P.Poornima

.. Petitioner

Vs

Employees State Insurance  
Corporation,  
Rep. by its Recovery Officer,  
K.K.Nagar,  
Madurai - 625 020.

..Respondent

Prayer: Writ Petition filed under Article 226 of the Constitution of India, praying this Court to issue a Writ of Certiorari to call for the records of the respondent dated 18.05.2022 in proceedings No. 57/RRC/00/038845/000/0101/22 quash the same.

For Petitioner : Mr.R.G.Sankar Ganesh

For Respondent : Mr.N.Dilipkumar



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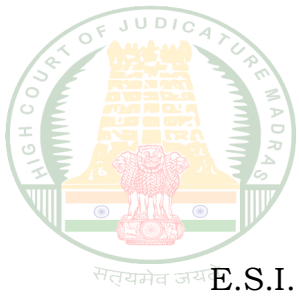
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**ORDER**

The petitioner challenges the proceedings dated 18.05.2022 in Proceedings No.57/RRC/00/038845/000/0101/22 issued by the respondent. By the said proceedings, the respondent issued a Garnishee Order under Section 45G of the Employees' State Insurance Act, 1948 directing the Branch Manager of Union Bank of India, South Masi Street, Madurai, to forthwith transfer a sum of Rs. 2,04,236/-, representing contribution, interest and damages, from any account maintained by the petitioner.

2. The issue as to whether the petitioner's establishment is covered under the provisions of the E.S.I. Act was considered by a Coordinate Bench of this Court in C.M.A.(MD) No.589 of 2022. The specific question as to whether the E.S.I. authorities have the power to extend the provisions of the Act to Utchappatti Village, where the petitioner's establishment is situated, when the said village had not been brought under the purview of the Act, was examined in the said case. The Coordinate Bench, by order dated 30.01.2023, held that the provisions of the E.S.I. Act are not applicable to Utchappatti Village.

3. In view of the aforesaid pronouncement of this Court holding that the petitioner's establishment does not fall within the purview of the



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E.S.I. Act, the impugned Garnishee Order issued by the respondent lacks statutory authority.

4. Accordingly, the Writ Petition is allowed and the following directions are issued:

(a) The impugned order in Proceedings No. 57/RRC/00/038845/000/0101/22 dated 18.05.2022 is hereby quashed.

(b) The amount of Rs.25,000/- deposited by the petitioner before the respondent in compliance with the interim order dated 27.07.2022 shall be refunded to the petitioner within a period of two weeks from the date of receipt of a copy of this order.

(c) The lien created in the petitioner's bank account pursuant to the impugned proceedings shall be removed by the concerned bank.

No costs. Consequently, the connected miscellaneous petition is closed.

**03.03.2026**

NCC : Yes/No

Index : Yes/No

Internet:Yes

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To  
The Recovery Officer,  
Employees State Insurance  
Corporation,  
K.K.Nagar,  
Madurai - 625 020.



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**HEMANT CHANDANGOUDAR, J.**

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