

[3168]

IN THE HIGH COURT FOR THE STATE OF TELANGANA AT HYDERABAD

WEDNESDAY, THE THIRD DAY OF AUGUST
TWO THOUSAND AND TWENTY TWO

:PRESENT:

THE HONOURABLE SRI JUSTICE K.LAKSHMAN

IA No. 1 OF 2022

IN

WP NO: 31082 OF 2022

Between:

1. M/s. GEE PEE FOODS PRIVATE LIMITED, CHAKUNDI, DANKUNI, HOOGLY, WEST BENGAL- 712310. Represented by its Director- VIKRAM DEWAN
2. Mr. VIKRAM DEWAN, DIN -- 0193109 Director M/s. GEE PEE FOODS PRIVATE LIMITED CHAKUNDI, DANKUNI, HOOGLY, WEST BENGAL- 712310

...Petitioner(s)

(Petitioner in WP 31082 OF 2022
on the file of High Court)

AND

1. MICRO AND SMALL ENTERPRISES, FACILITATION COUNCIL, Rangareddy Region at DIC, 4th Floor, Spoorthy Bhavan, Lakdikapul, Hyderabad, Telangana- 500001.
2. M/s. AVONFLEX PRIVATE LIMITED, Having Its Registered office at - 15-7-525, 3rd Floor, Begum Bazar Hyderabad Telangana- 500012
3. UNION OF INDIA, Ministry of Micro Small and Medium Enterprises Represented by its Secretary, Udyog Bhavan, New Delhi- 110001.

...Respondent(s)

(Respondents in-do-)

Counsel for the Petitioners : SRI GOLLAKOTA SATYA JAGANNATH
Counsel for the respondent no.3 : SRI T. SURYA KARAN REDDY

Petition under Section 151 CPC praying that in the circumstances stated in the affidavit filed in support of the petition, the High Court may be pleased to STAY the Operation of the impugned award dated 30/04/2022, Passed by Respondent No.1, as the said order violates the rights of petitioner, Pending disposal of WP No. 31082 of 2022, on the file of the High Court.

The court while directing issue of notice to the Respondents herein to show cause as to why this application should not be complied with, made the following order. (The receipt of this order will be deemed to be the receipt of notice in the case).

ORDER

This writ petition is filed questioning the award dated 30.04.2022 passed by the respondent No.1 in Vide case No.1808/MSEFC/2020. The 1st respondent awarded an amount of Rs.12,60,654/- towards principle amount along with interest for delayed period.

According to Sri Gollakota Satya Jagannath, learned counsel for the petitioner, respondent No.1 is not having jurisdiction, since it is a works contract. He would further submit that respondent No.1 has not followed the procedure laid down under Section 65 to 81 of the Arbitration and Conciliation Act, 1996 and Section 18(2) and 18(3) of the Micro, Small and Medium Enterprises Development Act, 2006 which is mandatory.

Learned counsel for the petitioner also place on reliance the judgment passed by Honb'ble Supreme Court in Silpi Industries and Ors. Vs. Kerala State Road Transportation Corporation and Ors.¹ and Jharkhand Urja Vikas Nigam limited vs. State of Rajasthan & another².

Perusal of the impugned award dated 30.04.2022 would reveal that prima facie, the subject contract is works contract and there is no mention about compliance of the procedure laid down under the afore stated provisions of the Act.

Prime facie, the impugned award is contrary to the procedure laid down under Section 65 to 81 of the Arbitration and Conciliation Act, 1996 and Sections 18(2) and 18(3) of the Micro, Small and Medium Enterprises Development Act, 2006, which is mandatory. Therefore there shall be interim stay of operation of the impugned Award dated 30.04.2022 passed by the respondent No.1.

SD/- K. VENKAIAH
ASSISTANT REGISTRAR

//TRUE COPY//

SECTION OFFICER

To,

1. Micro And Small Enterprises, Facilitation Council, Rangareddy Region at DIC, 4th Floor, Spoorthy Bhavan, Lakdikapul, Hyderabad, Telangana-500001.(By RPAD)
2. M/s. Avonflex Private Limited, Having Its Registered office at - 15-7-525, 3rd Floor, Begum Bazar Hyderabad Telangana- 500012(By RPAD)
3. The Secretary, Union Of India, Ministry of Micro Small and Medium Enterprises Udyog Bhavan, New Delhi- 110001.(By RPAD)
4. One CC to SRI. GOLLAKOTA SATYA JAGANNATH Advocate [OPUC]
5. One spare copy

¹ 2021 SCC OnLine SC 439

² Civil Appeal No. 2899 of 2021

HIGH COURT

KLJ

DATED:03/08/2022

ORDER

IA.NO. 1 OF 2022

IN

WP.No.31082 of 2022

INTERIM STAY

