

**IN THE HIGH COURT OF PUNJAB & HARYANA AT
CHANDIGARH.**

COCP No.2973 of 2016

Date of Decision:-21.03.2017

M/s CMI Limited.

.....Petitioner.

Versus

R.L. Rana, Chief Materials Manager.

.....Respondent.

CORAM:- HON'BLE MR. JUSTICE JASWANT SINGH

Present:- Mr. Gaurav Chopra, Advocate for the Petitioner.

Mr. Karminder Singh, Advocate for the respondent.

JASWANT SINGH, J.(ORAL)

Petitioner company is a registered contractor with the Indian Railways for supplying material. Due to a dispute and upon reference an award dated 23.12.2014 was passed by the sole arbitrator holding that the petitioner company was entitled to a sum of Rs.47,45,311/- along with compound interest as per Section 16 of The Micro Small and Medium Enterprises Development Act, 2006.

The aforesaid award was challenged by the respondents-Railways by filing CWP No.6400 of 2015 before this Court. An interim order dated 11.05.2015 in the said writ petition came about to be passed, whereby a sum of Rs.50 lacs was directed to be deposited by the Railways Department with the Registry of this Court in the shape of FDR of any nationalized bank to balance the equity. The said writ petition was finally

dismissed vide order dated 29.09.2016 (P-1), with the direction to the railways department to make the payment of the deposited amount to the company within one month from the receipt of the copy of the order as clarified vide subsequent order dated 07.11.2016.

Since the needful was not done hence the present contempt petition was filed.

In the present contempt on 16.02.2017 following order was passed:-

“ No doubt, Letters Patent Appeal against the judgment dated 29.9.2016(P-1) has been filed, however, in view of directions issued during the pendency of the writ petition, the petitioner is entitled to the benefit of amount of Rs.50 lacs alongwith accrued interest subject, of course, to the pending litigation and his furnishing an undertaking before this Court.

List for further consideration on 21.3.2017.

Registrar General/Registry of this Court is directed to ensure the release of amount of Rs.50 lacs deposited alongwith interest to the petitioner in terms of the order dated 29.9.2016(P-1) as modified vide order dated 7.11.2016(P-2). This, of course, is subject to the petitioner furnishing an undertaking before this Court within three weeks from today.

To be shown in the urgent list. ”

In terms of the aforesaid order dated 16.02.2017 and undertaking dated 22.02.2017 by way of affidavit of Mr. S.K. Chopra, Authorised signatory on behalf of the petitioner company stands filed.

In view of the above, the present contempt petition is disposed of with a direction to the Registry of this Court to ensure the release of the amount of Rs.50 lacs deposited along with the interest to the petitioner in

terms of orders dated 29.09.2016/07.11.2016. This however, is subject to the strict compliance of the undertaking dated 22.02.2017 furnished on behalf of the petitioner-company. It is clarified that the amount in terms of the undertaking would be realisable immediately on demand without recourse to any execution proceedings and any violation of this undertaking would have serious implications in contempt proceedings.

(JASWANT SINGH)
JUDGE

March 21, 2017
Vinay

<i>Whether speaking/reasoned</i>	<i>Yes/No</i>
<i>Whether Reportable</i>	<i>Yes/No</i>