

IN THE HIGH COURT OF PUNJAB AND HARYANA
AT CHANDIGARH

Civil Revision No.335 of 2018
Date of Decision: 15.03.2018

M/s Usha Martin Limited

....Petitioner (s)

Versus

M/s MASYC Projects Pvt. Limited & others

...Respondent(s)

CORAM:- HON'BLE MR. JUSTICE HARI PAL VERMA

Present:- Mr. Sunil Chadha, Sr. Advocate with
Mr. Vivek Slathia, Advocate and
Mr. Satyakam Chakraborty, Advocate
for the petitioner(s).

Mr. Tarun Sharma, Advocate and
Ms. Sumanjit Kaur, Advocate
for respondent no.1.

Mr. R.K. Singla, AAG, Haryana.

HARI PAL VERMA, J. (Oral)

Petitioner has filed the present revision petition under Article 227 of the Constitution of India, impugning the order dated 19.12.2017 (Annexure P-3) passed by Additional District Judge, Chandigarh, whereby, the application filed on behalf of the petitioner, for waiver, in an Arbitration Case bearing CNR No.CHCH01-010802017 titled as M/s Usha Martin Ltd. Vs. M/s Masyc Projects Pvt. Ltd., was dismissed. A further prayer has been made for allowing the application for waiver and directing

the Court to decide the Arbitration case of the petitioner without the condition of pre-deposit of 75% of the amount of Award (Annexure P-1).

Mr. Sunil Chadha, learned senior counsel, while drawing attention of this Court to Section 19 of the Micro, Small and Medium Enterprises Development Act, 2006 (for short, “the Act”), has argued that no doubt, the petitioner is required to deposit 75% of the principal amount, in terms of the award, petitioner undertakes to deposit the said amount, but the only concession which it intends to seek is that out of the aforesaid amount, the petitioner be permitted to deposit Rs.30,00,000/- by way of cash/bank draft and the remaining amount by way of irrevocable bank guarantee in the name of the Court with further liberty for the Court below to act in accordance with the provisions of Section 19 of the Act.

Learned counsel for respondent no.1 has no serious objection to the prayer made on behalf of the petitioner and has accepted this offer, provided the assured amount/bank guarantee, offered above, is deposited/ furnished within 45 days from today.

Section 19 of the Act reads as under:-

“19. Application for setting aside decree, award or order.—
No application for setting aside any decree, award or other order made either by the Council itself or by any institution or centre providing alternate dispute resolution services to which a reference is made by the Council, shall be entertained by any court unless the appellant (not being a supplier) has deposited with it seventy-five per cent of the amount in terms of the decree, award or, as the case may be, the other order in the manner directed by such court:

Provided that pending disposal of the application to set aside the decree, award or order, the court shall order that such

percentage of the amount deposited shall be paid to the supplier, as it considers reasonable under the circumstances of the case subject to such conditions as it deems necessary to impose.”

In view of the undertaking so given by counsel for the petitioner, the present revision is disposed of with liberty to the petitioner to deposit Rs.30,00,000/- by way of cash/demand draft and for the remaining amount, he shall furnish bank guarantee in the name of the Court, with liberty for the Court to act in accordance with Section 19 of the Act, within 45 days from today. The petitioner shall deposit/furnish bank guarantee in the manner indicated above.

March 15, 2018
AK

(HARI PAL VERMA)
JUDGE

Whether speaking / reasoned?

Yes / No

Whether reportable?

Yes / No