

**HON'BLE SRI JUSTICE P.NAVEEN RAO
AND
HON'BLE SRI JUSTICE NAGESH BHEEMAPAKA**

COMMERCIAL COURT APPEAL No. 37 OF 2022

Date: 09.01.2023

Between:

The Telangana State Medical Services and Infrastructure
Development Corporation
Represented by its Managing Director 2nd Floor DM and HS
Campus Sultan Bazar Koti Hyderabad 500 001 Telangana.

.....Appellant

And

MEDAPOL Pharmaceuticals India Pvt Ltd
Represented by its Director 1199/3 BHUD BADDI District
Solan Himachal Pradesh and another.

.....Respondents

The Court made the following:

**THE HON'BLE SRI JUSTICE P. NAVEEN RAO
AND
THE HON'BLE SRI JUSTICE NAGESH BHEEMAPAKA
COMMERCIAL COURT APPEAL No. 37 OF 2022**

ORAL ORDER : *(Per Hon'ble Sri Justice P.Naveen Rao)*

Heard Sri P.V. Krishnaiah, learned counsel for appellant,
and Sri P.Pratap, learned counsel for respondents.

2. In Reference No.13 of 2019 the learned Arbitrator passed the Award dated 09.08.2019 admitting the claim of claimant and a sum of Rs.1,67,96,099/- as the principal amount and Rs.54,97,070/- as interest under Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (for short 'MSMED ACT') total of Rs.2,22,93,169/- was awarded, with a direction to pay the amount within 30 days from the date of Award i.e., 09.08.2019. Contending that the said amount was not paid, C.E.P.No.1 of 2020 was filed in the Principal Special Court for Trial and Disposal of Commercial Disputes, City Civil Court, at Hyderabad.

3. In C.E.P.No.1 of 2020, C.E.A.No.103 of 2022 was filed and by order dated 01.11.2022 the Court below ordered not to allow any withdrawal from the Bank Account bearing

No.142410100019139, IFSC Code: UBIN0814245 in the branch of the Union Bank of India, until further orders. Aggrieved thereby, this appeal is preferred.

4. Learned counsel for the appellant contends that the total amount awarded by the learned Arbitrator was only Rs.2,22,93,169/- whereas, the entire bank account of appellant is now freezed, causing lot of hardship and suffering. He submits that in the said bank account, huge amount of money of about more than hundred crores is deposited and if the entire account is freezed, grave prejudice would be caused to appellant.

5. Having regard to the claim made by respondent No.1 herein, before the learned Arbitrator, the relief granted by the learned Arbitrator, the Court *prima facie* found that there was no need to freeze the entire bank account and that the interest of respondent No.1 is sufficiently protected if the bank is directed to freeze only Rs.3,00,00,000/- in the concerned bank account. Accordingly, on 06.12.2022 orders were passed in I.A.No.2 of 2022 in C.O.M.C.A.No.37 of 2022.

6. Learned counsel for respondent No.1 fairly submits that the order granted by this Court on 06.12.2022 sufficiently safeguards the interest of respondent No.1.

7. In view thereof, no further orders are required to be passed by this court in this appeal. Accordingly, the Commercial Court Appeal is disposed of, modifying the interim order granted by the Commercial Court on 01.11.2022 in C.E.A.No.103 of 2022 to freeze an amount of Rs.3,00,00,000/- only in the Bank account bearing No.142410100019139, IFSC Code: UBIN0814245 of Union Bank of India, Sultan Bazar Branch, Hyderabad. However, it is made clear that the appellant is entitled to utilize any other money standing in the account, in addition to Rs.3,00,00,000/-.

8. At this stage, learned counsel for respondent No.1 submits that respondent No.1 may be permitted to withdraw the money freezed by virtue of order of this Court.

9. We are of the opinion that since C.E.P.No.1 of 2020 is pending before the trial Court, it is open to respondent No.1 to file appropriate application before the trial Court and seek appropriate directions.

Pending miscellaneous petitions, if any, shall stand closed.

P.NAVEEN RAO, J

NAGESH BHEEMAPAKA, J

Date: 09.01.2023
PT

**THE HON'BLE SRI JUSTICE P.NAVEEN RAO
AND
THE HON'BLE SRI JUSTICE NAGESH BHEEMAPAKA**

COMMERCIAL COURT APPEAL No. 37 OF 2022

Date: 09.01.2023

PT