

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

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**CWP-9892-2022 (O&M)
Date of decision: 25.09.2023**

M/S STELLENT COMPONENTS PVT LTDPetitioner

VERSUS

STATE OF HARYANA AND OTHERSRespondents

CORAM : HON'BLE MR. JUSTICE VINOD S. BHARDWAJ

Present:- Mr. Dhruv Sharma, Advocate
for the petitioner.

Mr. Pankaj Mulwani, DAG, Haryana.

Mr. Vansh Malhotra, Advocate
for respondent No.3.

VINOD S. BHARDWAJ, J. (Oral)

Challenge in the present writ petition is to the order dated 04.10.2021 (Annexure P-1) by the Haryana Micro & Small Enterprises Facilitation Council (Respondent No.2) in the application filed by respondent No.3 for recovery of Rs. 20,89,357/-. The matter was referred by the Facilitation Council for report from the empaneled Arbitrator/Expert. The contention of the petitioner is that the respondent No.3 was got registered with the MSME Udyam on 24.05.2021 and that the invoices in question related to a period prior thereto. Since the provisions of the Act, 2006 mandate that the supply ought to have been made by a Micro & Small Enterprise, hence, the

claim ought to have been registered with the competent authority prior to the supply having been made.

Reliance in this regard was placed on the judgment of ***“Silpi Industries versus Kerala State Road Transport Corporation and another”*** reported as ***2021 (3) R.C. R (Civil) 394***. A further argument was raised that the respondents have not given any reasons for referring the matter to adjudication by way of an arbitration under Section 18(3) of the Micro Small and Medium Enterprises Development Act, 2006.

Short reply on behalf of respondents No.1 and 2 has been filed in the Court today.

Reply on behalf of respondent No. 3 had been filed on 17.08.2022 wherein it was specifically averred that prior to the Registration as MSME w.e.f. 24.05.2021, the respondent No.3 was registered under Udhdyog Aadhar bearing UAN No. HR03B0018305 under the Provisions of the Micro Small and Medium Enterprises Development Act, 2006 and that the claim relate to the period post registration of the respondent No.3 as a Micro Small and Medium Enterprises. Further, Section 18(2) of the Micro Small and Medium Enterprises Development Act, 2006 only stipulates conciliation proceedings and reference of the dispute to adjudication by way of an arbitration on failure of the conciliation. No reasons are required to be assigned and a mere failure of conciliation is sufficient to refer the case for adjudication by way of an arbitration. The issues raised herein have already been dealt with by this Court in its judgment dated

01.08.2023 passed in *CWP-12338 of 2019* titled as “*Indian Oil Corporation Ltd. versus HMSEFC & Another*”.

Accordingly, the present writ petition is disposed of in terms of judgment of *Indian Oil Corporation Ltd. (supra)*.

All the pending miscellaneous application(s), if any, are also disposed of.

(VINOD S. BHARDWAJ)
JUDGE

SEPTEMBER 25, 2023

Vishal sharma

Whether speaking/reasoned	:	Yes/No
Whether reportable	:	Yes/No