

FAO No. 2392 of 2018

[1]

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

FAO No. 2392 of 2018

Date of decision: 27th January, 2023

Punjab State Power Corp. Ltd. Patiala

Petitioner

Versus

Punjab Transformers and Electronics Ltd. Sangrur & another

Respondents

CORAM: HON'BLE MR. JUSTICE AVNEESH JHINGAN

Present: Mr. P. S. Bajwa, Advocate for the petitioner.
Mr. Tribhawan Singla, Advocate for the respondent No.1.

AVNEESH JHINGAN, J (Oral):

1. Appeal under Section 37 of the Arbitration & Conciliation Act, 1996 (for short, 'the Act') is filed against the award dated 27.8.2015 passed by Facilitation Council (for short, 'the Council') under the Micro, Small and Medium Enterprises Development Act, 2006 (for short, 'the MSME Act') and the order dated 30.10.2017 passed by Additional District Judge, Patiala on the application under Section 34 of the Act.

2. The facts in brief culled out are that respondent No. 1 supplied goods to the appellant in pursuance to four purchase orders on 24.12.2010, 30.8.2011 and 4.12.2012. There was a dispute between the parties and respondent No. 1 approached Council for arbitration. The arbitration proceedings culminated in the award dated 27.8.2015 and respondent No. 1 was held to be entitled to Rs.1,81,58,238/- plus interest. The application under Section 34 of the Act was dismissed vide order dated 30.10.2017.

3. Affidavit of Er. Poras Kumar Mehta filed by counsel for the appellant attaching reply of General Manager, District Industrial Centre, Malerkotla (Sangrur) as Annexure-1, is taken on record.

4. Learned counsel for the appellant submits that the Council erred in appointing the arbitrator as respondent No. 1 had not filed

application for registration within 180 days of coming into force of the MSME Act, there was violation of proviso to Section 8 of the MSME Act. He further submits that the calculations made by the arbitrator are wrong.

5. Learned counsel for respondent No. 1 opposes the contentions. He submits that the unit is registered under MSME Act since 2011.

6. The annexure with the affidavit filed today establishes that respondent No. 1 is registered under MSME Act since 3.2.2011 and till date continues to be registered.

7. In view of the undisputed fact that respondent No. 1 was registered unit under MSME Act from 3.2.2011, the contention of learned counsel for the appellant that the petitioner had not filed the application for registration within the time prescribed under Section 8 of the MSME Act lacks merit. The arbitration proceedings were for resolving the dispute between the parties and not a forum to challenge the registration granted to respondent No. 1 under MSME Act.

8. The scope of interference u/s 37 of the Act is limited. This court cannot re-appreciate the evidence at this stage and the challenge to calculations does not bring the case within the scope for interference in this appeal.

9. The appeal is dismissed.

[AVNEESH JHINGAN]
JUDGE

27th January, 2023

mk

1. Whether speaking/ reasoned	:	Yes
2. Whether reportable	:	Yes s