IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH

CR-5682-2023 (O&M)
Date of Decision:- 9.10.2023

Twenty 4 Ventures Group Ltd. and others ...Petitioners

Versus

The Haryana State Micro and Small Enterprises Facilitation Council and others ...Respondents

CORAM: HON'BLE MR. JUSTICE GURVINDER SINGH GILL

Present: Mr. Sanjiv Sharma, Senior Advocate with
Mr. V.K.Sachdeva, Mr. Vikram Vir Sharma,
Mr. Amit Khanna & Mr. Pulkit Sachdeva, Advocates
for the petitioners.

Mr. Amit Jhanjhi, Senior Advocate with
Mr. Vivek Sharma & Mr. Shashank Sharma, Advocates
for the respondents.

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GURVINDER SINGH GILL, J.

1. The petitioners assail order dated 30.8.2023 (Annexure P-1) passed by learned Additional District Judge, Chandigarh vide which an application moved by the petitioners, seeking exemption from compliance of requirement of depositing 75% of the award amount in terms of Section 19 of the Micro, Small and Medium Enterprises Development Act, 2006 (in short hereinafter referred to as *'the MSMED Act, 2006'*), has been declined.

2. Admittedly, respondent No. 3 - M/s Servista Facility Solutions, having Sh. Gagan Gauri as its sole proprietor, had entered into a contract with respondent No. 4 – M/s Pro Facilities Services Pvt. Ltd. on 15.4.2017, as per

which respondent no. 3 was to provide security services to respondent no. 4. A dispute having arisen, respondent No. 3 sought recovery of outstanding amount of Rs. 1,14,35,652/- and an interest amount of Rs. 1,24,80,648/- from respondent No. 4 by invoking provisions of Section 16 and 18 of the MSMED Act, 2006. The Council constituted under the MSMED Act, 2006 issued notice to respondent No. 4 who did not file any response despite several opportunities having been afforded. The claimant informed the Council that as a matter of fact respondent No. 4 – Company had appointed dummy Directors and was actually being run by Shri Sunil Nihal Dugal and Ms. Madhubala Dugal i.e. by petitioners No. 2 and 3 and their companies. The Council issued notices to the aforesaid Mr. Sunil Nihal Dugal and Ms. Madhubala Dugal and to their companies and upon securing their presence made efforts to get the matter amicably resolved but to no avail. The stand taken by the petitioners in the said proceedings was that they were not party to the agreement and had nothing to do with the said agreement entered into by the contracting company i.e. respondent no.4 company.

3. The conciliation proceedings having failed, the matter was referred to the empanelled Arbitrator, who issued notices to all the parties where only the claimant i.e. respondent no. 3 put in appearance but the others i.e. the petitioners did not appear. However, the petitioners sent a letter dated 4.3.2021 for deletion of their names from the array of parties. The petitioners (arrayed as respondents in said proceedings) were ultimately proceeded against *ex-parte*. The empanelled Arbitrator conducted the proceedings and submitted his recommendation/opinion to the Council pursuant to which award dated 25.6.2021 (Annexure P-43) came to be passed by the Council in

favour of respondent No. 3 and against the petitioners. The operative portion of the award is reproduced herein-under :-

> "10. Thus in view of the above discussion and documents, this Court holds that:
>
> I. The Claimant is entitled to get an amount of Rs.1,14,35,652/- from the Respondents as due principal amount and is awarded accordingly.
>
> II. The Claimant is also entitled to receive an amount of Rs.1,24,80,648/- as interest from the Respondents on the above principal amount till 10.09.2020 as per provisions of section 6 of the Act and is awarded accordingly.
>
> III. The Claimant is also entitled for pendente lite and future interest on total amount of Rs.2,39,16,300/- from 16.09.2020 till the realization of the whole amount from the Respondents as per provisions of section 16 of the Act and is awarded accordingly.
>
> IV. The Claimant is also entitled to get total sum of Rs.80,000/- from the Respondents on account of cost and arbitrator's fee from the respondent and is awarded accordingly.
>
> V. The Claimant is also entitled to receive an amount of Rs.2,500/- from the respondent on account of processing fee which shall be remitted by the Claimant in favour of the Chairman of this Council as and when the same is recovered by the Claimant in execution of this Award."

4. Before proceeding further, it is apposite to briefly refer to the scheme of the MSMED ACT, 2006 and some of its relevant provisions. The Micro, Small and Medium Enterprises Development Act, 2006 was promulgated with an object to encourage promising entrepreneurs for development of micro, small and medium enterprises and to provide with a legal framework for resolving the matters connected therewith effectively. The underlying aim was to enable the enterprises of a smaller scale to grow into bigger ones and be able to avail of technology to achieve higher productivity and remain competitive in the era of globalization. Some of the relevant provisions of the MSMED Act, 2006 are reproduced herein-under:-

2(d) "buyer" means whoever buys any goods or receives any services from a supplier for consideration;

2(n) "supplier" means a micro or small enterprise, which has filed a memorandum with the authority referred to in sub-section (1) of section 8, and includes,—

(i) the National Small Industries Corporation, being a company, registered under the Companies Act, 1956 (1 of 1956);

(ii) the Small Industries Development Corporation of a State or a Union territory, by whatever name called, being a company registered under the Companies Act, 1956 (1 of 1956);

(iii) any company, co-operative society, trust or a body, by whatever name called, registered or constituted under any law for the time being in force and engaged in selling goods produced by micro or small enterprises and rendering services which are provided by such enterprises;

15. Liability of buyer to make payment.—

Where any supplier supplies any goods or renders any services to any buyer, the buyer shall make payment therefor on or before the date agreed upon between him and the supplier in writing or, where there is no agreement in this behalf, before the appointed day:

Provided that in no case the period agreed upon between the supplier and the buyer in writing shall exceed forty-five days from the day of acceptance or the day of deemed acceptance.

This clause seeks to specify the liability of buyer of goods and services from a supplier to make payment therefore on or before the date agreed upon between the two parties in writing or, where there is no agreement in this behalf, before the appointment day. The proviso to this clause seeks to limit the period agreed upon between the supplier and the buyer in writing to forty-five days from the day of acceptance or the day of deemed acceptance. (*Notes on Clauses*).

16. Date from which and rate at which interest is payable.—

Where any buyer fails to make payment of the amount to the supplier, as required under section 15, the buyer shall, notwithstanding anything contained in any agreement between the buyer and the supplier or in any law for the time being in force, be liable to pay compound interest with monthly rests to the supplier on that amount from the appointed day or, as the case may be, from the date immediately following the date agreed upon, at three times of the bank rate notified by the Reserve Bank.

This clause seeks to specify the date from which and the rate at which interests will be payable by the buyer to the supplier in case of the former failing to make payments of the amount to the supplier, as required under Section 15. (*Notes on Clauses*).

17. Recovery of amount due.—

For any goods supplied or services rendered by the supplier, the buyer shall be liable to pay the amount with interest thereon as provided under section 16.

This clause seeks to make the buyer liable to pay the amount with interest thereon as provided under section 16 for goods supplied or services rendered by the supplier. (*Notes on Clauses*).

18. Reference to Micro and Small Enterprises Facilitation Council.—

(1) Notwithstanding anything contained in any other law for the time being in force, any party to a dispute may, with regard to any amount due under section 17, make a reference to the Micro and Small Enterprises Facilitation Council.

(2) On receipt of a reference under sub-section (1), the Council shall either itself conduct conciliation in the matter or seek the assistance of any institution or center providing alternate dispute resolution services by making a reference to such an institution or center, for conducting conciliation and the provisions of sections 65 to 81 of the Arbitration and Conciliation Act, 1996 (26 of 1996) shall apply to such a dispute as if the conciliation was initiated under Part III of that Act.

(3) Where the conciliation initiated under sub-section (2) is not successful and stands terminated without any settlement between the parties, the Council shall either itself take up the dispute for arbitration or refer ittoany institution or center providing alternate dispute resolution services for such arbitration and the provisions of the Arbitration and Conciliation Act, 1996 (26 of 1996) shall then apply to the dispute as if the arbitration was in pursuance of an arbitration agreement referred to in sub-section(1) of section 7 of that Act.

(4) Notwithstanding anything contained in any other law for the time being in force, the Micro and Small Enterprises Facilitation Council or the center providing alternate dispute resolution services shall have jurisdiction to act as an Arbitrator or Conciliator under this section in a dispute between the supplier located within its jurisdiction and a buyer located anywhere in India.

(5) Every reference made under this section shall be decided within a period of ninety days from the date of making such a reference. This clause seeks to provide for the jurisdiction of the Micro and Small Enterprises Facilitation Council for acting as an

arbitrator or conciliator in respect of the matters referred to in clause 17. (*Notes on Clauses*).

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 center 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.

This clause seeks to debar any Court or other authority from entertaining an appeal against any decree, ward or any other order 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 other order. (*Notes on Clauses*).

5. From perusal of the above referred provisions, it can be safely discerned that an effective legal framework has been provided to ensure that micro, small and medium enterprises are not exploited and that the payments due to them by the buyers are duly made in time. Time-frames have been prescribed and a penal rate of interest has also been prescribed for achieving the said purpose. However, it goes without saying that any enterprise seeking to avail of the benefits in accordance with the provisions of the MSMED Act, 2006 is required to be registered with the Micro and Small Enterprises Facilitation Council.

6. While a person against whom an award is passed by the Council can file a petition in terms of Section 34 of the Arbitration and Conciliation Act, 1996 (in short hereinafter referred to as *'the Arbitration Act'*) in the Court to challenge the same but if such petition is filed by anyone other than the

"supplier", an amount equal to 75% of the awarded amount is required to be deposited in the Court, in the manner as may be directed by the Court.

7. The petitioners, against whom award dated 25.6.2021 (Annexure P-43) was passed by the Council, filed a petition under Section 34 of the Arbitration Act in the Court of learned Additional District Judge, Chandigarh on 23.9.2021 (Annexure P-4), challenging the award and alongwith it, moved an application of even date seeking waiver of deposit of 75% of the awarded amount in terms of Section 19 of the MSMED Act, 2006. The said application having been declined vide impugned order dated 30.8.2023 (Annexure P-1), the petitioners assail the same in the instant petition.

8. The learned senior counsel representing the petitioners, in order to assail the impugned order dated 30.8.2023 (Annexure P-1) has broadly made the following submissions :-

   (i) that while the contract was entered into between the 'supplier' and the 'buyer' i.e. between respondents No. 3 and 4 on 15.4.2017, it was much later that respondent No. 3 (supplier) got its enterprises registered with the MSMED for the first time on 11.4.2019 and that in these circumstances, the factum of subsequent registration of the supplier with the MSMED would not affect the terms or consequences of the agreement which had been entered prior to such registration and that consequently respondent no. 3 could not invoke provisions of the MSMED against the petitioners in the present case;

   (ii) that it is a case where the petitioners, as a matter of fact, were never a party to the agreement dated 15.4.2017 and as such, would not qualify either to be termed as 'supplier' or the 'buyer' so as to be proceeded against under provisions of the MSMED Act, 2006. It has been submitted that the peittioners No. 2 and 3 are merely shareholders of respondent no. 4 and otherwise have nothing to do with the said company;

(iii) that the Arbitrator has exceeded his jurisdiction in returning a finding purportedly with regard to lifting of corporate veil whereas it does not lie within the domain of the Arbitrator to do so, which is expected to adjudicate only with regard to a dispute referred to it, which is a monetary dispute in the present case. It has also been submitted that even if the alleged lifting of corporate veil is taken into account, still it remains unexplained as to why the Council chose to proceed only against the petitioners and not against M/s Star Facilities Management Limited.

(iv) that since the proceedings against the petitioners have been conducted on the premises that the business transaction is covered under the provisions of the MSMED Act, 2006 which infact is not applicable, the entire proceedings are *void ab-initio* and that the petitioners cannot be forced to comply with provisions of Section 19 of the MSMED Act, 2006 so as to deposit 75% of the awarded amount, to get their petition under Section 34 of the Act entertained.

9. On the other hand, the learned counsel representing respondent No. 3, while opposing the petition, made the following submissions :-

(i) that the question as regards the application of the MSMED Act, 2006 to the present case is a question which can be well adjudicated before the Court of Additional District Judge where petition under Section 34 of the Act is pending, having regard to the facts and evidence on record and that the petitioner cannot be permitted to avail of the remedy of Civil Revision under Article 227 of Constitution of India, so as to pre-empt the statutory proceedings under Section 34 of the Arbitration Act pending before the Court of Additional District Judge;

(ii) that the petitioners, under all circumstances, is mandatorily required to comply with provisions of Section 19 of the MSMED Act, 2006 i.e. to deposit 75% of the awarded amount before the Court where petition under Section 34 of the Arbitration Act has been instituted and that there is no room for any exception to the said provision;

(iii) that the petitioners had earlier filed a Civil Writ Petition in this Court wherein also similar grounds of non-applicability of the provisions of the MSMED Act, 2006 had been raised but the said petition was withdrawn by the petitioners on 3.8.2021 (Annexure P-44) with liberty to challenge the award before the competent authority/Court in accordance with law and that as such, the petitioner himself having chosen the said path cannot now turn round to make deviations by claiming exception to deposit the 75% of the awarded amount, as required in terms of Section 19 of the MSMED Act, 2006 for filing an appeal/petition in terms of Section 34 of the Arbitration Act;

(iv) that the petitioner is rather precluded from raising any plea which had been raised before this Court earlier in the writ petition as regards non-applicability of MSMED ACT as these very pleas i.e the petitioners not being "buyers" and the respondent not being registered with MSMED at the time of entering into agreement were specifically pleaded in the writ petition which was subsequently withdrawn.

10. This Court has considered rival submissions addressed before this Court. Since, one of the contentions raised before this Court is as regards the petitioner not being a party to the agreement and that the Arbitrator has exceeded his jurisdiction in his attempt to lift the corporate veil, the share-holding of buyer (Pro-facilities Services Ltd.), stated to have been projected by respondent no.3 before the Arbitrator and not specifically denied by the petitioners is extracted from the application dated 23.9.2021(Annexure P-2) as under:

Pro Facilities Services Pvt. Ltd.	

↓ ↓

Twenty Four Secure Services Pvt. Ltd. (60 %)	Star Facilities Management Ltd. (40 %)

↓ ↓

Twenty 4 Ventures Group Ltd. (99 %)	Sunil Duggal (1 %)

↓ ↓

Sunil Duggal (40.02 %)	Madhubala Duggal (59.7 %)

11. A perusal of the share-holding as reflected from aforesaid table does vindicate the stand of the petitioners that the Council has been selective in proceeding against the petitioners only while sparing M/s Star Facilities Management Ltd.

12. The learned counsel in order to hammer forth his contention regarding the Arbitrator having no jurisdiction to lift the corporate viel pressed into service a judgment of Delhi High Court in *Sudhir Gopi vs. Indra Gandhi National Open University and another 2017(164) DRJ 227*, wherein it held as under:

> "20. The courts would, undoubtedly, have the power to determine whether in a given case the corporate veil should be pierced and the persons behind the corporate façade be held accountable for the obligations of the corporate entity. However as stated earlier, an arbitral tribunal, has no jurisdiction to lift the corporate veil; its jurisdiction is confined by the arbitration agreement - which includes the parties to arbitration - and it would not be permissible for the arbitral tribunal to expand or extend the same to other persons."
>
> "34. As stated earlier, the award which is wholly without jurisdiction, would be of little value. In the present case, Mr Sudhir Gopi is not a signatory (party) to the arbitration agreement; this is fundamental condition for an arbitral tribunal to assume jurisdiction in so far as Mr Gopi is concerned. In absence of an arbitration agreement, the arbitral award, in so far as Mr. Gopi is concerned, is without jurisdiction and not binding on him."
>
> "42. A corporate veil can be pierced only in rare cases where the Court comes to the conclusion that the conduct of the shareholder is abusive and the corporate façade is used for an improper purpose, for perpetuating a fraud, or for circumventing a statute.
>
> 43. It is only in exceptional cases that a court would lift the corporate veil. In ***Life Insurance Corporation of India v. Escorts Ltd. and Ors.: (1986) 1 SCC 264***, the constitution bench of the Supreme Court explained that a corporate veil may be lifted where a statute itself requires lifting of corporate veil or in cases of fraud or where a taxing statute or a beneficent statute is sought to be circumvented."

13. Before considering the contention made above, the judgement relied upon by petitoner to press upon his other contention regarding non-applicability of MSMED Act 2006 on account of the 'supplier' not being registered with MSMED as on the day of agreement is also being refered to i.e. *M/s Silpi*

<u>Industries etc. vs. Kerala State Road Transport Corporation & another, AIR 2021 Supreme Court 5487</u>, wherein it concluded as under:

> "26. …. ….. ….. In our view, to seek the benefit of provisions under MSMED Act, the seller should have registered under the provisions of the Act, as on the date of entering into the contract. In any event, for the supplies pursuant to the contract made before the registration of the unit under provisions of the MSMED Act, no benefit can be sought by such entity, as contemplated under MSMED Act. ….. ….. "

14. Both the aforesaid contentions, when examined in light of ratio of judgements relied upon by the petitioners do sound very appealing. It is indeed a case where the 'supplier' i.e. respondent no.3 was not registered with MSMED at the time of entering into agreement dated 15.4.2017 and name of respondent no.4 is not specifically mentioned in the agreement. However, another question that looms large is as to at whether at this stage this Court should proceed to consider the said contentions so as to intervene while exercising powers under Article 227 of Constitution of India, particularly when the petitioners have already made a vain attempt earlier in respect of some of the said contentions by way of filing a writ petition which was withdrawn subsequently, so as to challange the award before competent authority. The said order dated 3.8.2021(Annexure P-44), passed in CWP 11229 of 2021 is reproduced as under:

> "Since after the filing of the present petition the award has been passed, learned senior counsel for the petitioners seeks to withdraw the present petition with liberty to challenge the aforesaid award before the competent authority/Court in accordance with law.
>
> Permitted to do so.
>
> Dismissed as withdrawn with liberty as prayed for.
>
> Needless to add that in the proceedings which may be filed by the petitioners to challenge the award they would be at liberty to take up all available pleas, including the pleas taken in the present petition."

15. The specific grounds raised therein in para 81(E) and 81(F) are reproduced herein-under:

"E. BECAUSE the Petitioners are not the "Buyer in the present case and has neither ever dealt with Respondent No. 4 i.e. Servista Facility Solutions nor ever dealt with its Proprietor i.e. Gagan Gauri. Servista Facility Solutions or iis Proprietor has never ever supplied any goods or provided its services to the Petitioners and further never ever has the Petitioners entered into any contract with Servista Facility Solutions or its Proprietor for supply of goods or to provide any services, accordingly Pettioners are neither the Buyer in the present case nor there has been any agreement/ contract for supply of Services between the Petitioners and Respondent No. 4.

F. BECAUSE Servista Facility Solutions was not a 'Supplier' for the purposes of Chapter V of the MSME Act and not a MSME Enterprise during the period it claimed to render services to Pro Facilities Services Pvt. Ltd. i.e. from April, 2017 to July, 2018 and applied for MSME Registration / Udyog Aadhaar Memorandum on 11.04.2019 i.e. much later after the termination of the contract with Pro Facilities Services Pvt. Ltd."

16. A perusal of the aforesaid extracts from the writ petition clearly demonstrate that the petitioners had raised similar pleas at the time of filing the writ petition which he voluntarily chose to withdraw so as to avail remedies of challenging of award before the competent Court. The said withdrawal was without any qualification. Neither any prayer was made seeking permission to approach the Court on similar grounds again nor compliance of Section 19 of the MSMED Act, 2006 was exempted. The scope of interference with the aid of Article 226 of the Constitution of India is much wider than the scope of interference with the aid of Article 227 of the Constitution of India. The petitioners, having already raised the pleas in the earlier writ petition, as have also been raised in the present petition are virtually precluded from raising

the same contentions before this Court at this stage, particularly when they have chosen to avail of the statutory remedy available to them under Section 34 of the Arbitration Act.

17. In the instant case, pursuant to passing of award against the petitioners, they have already proceeded to avail statutory remedy of appeal against the award in question and have filed petition under Section 34 of the Arbitration Act in the Court of District Judge, Panchkula, wherein all these issues have been raised. The said petition is still pending.

18. As regards, the contention of the petitioners that they not being 'buyers', the provisions of Section 19 of the MSMED Act, 2006 cannot be made applicable to them, this Court is of the opinion that once an award had been passed holding the petitioners to be 'buyers' and responsible for not having made the payment for the services rendered by respondent no. 3, it would always be open to the petitioners to challenge the said findings before competent Court, as have already been challenged by them by filing petition under Section 34 of the Arbitration Act in the Court of District Judge, Panchkula. Although, the learned senior counsel representing the petitioner vehemently argued that Section 19 of the MSMED Act, 2006 would not be applicable to the petitioners who are a third party but the said question can well be adjudicated before the Court where petition under Section 34 of the Act is pending, which is virtually an Appellate Authority.

19. Nothing has been shown to this Court which could suggest that there is any room for drawing any exception to provisions of Section 19 of the MSMED Act, 2006 which mandate that except in the case where any appeal is filed by

the "supplier", the appellant would be required to deposit 75% of the awarded amount.

20. Hon'ble Supreme Court considered the question of mandatory nature of provisions of Section 19 of the MSMED Act, 2006 in a case where a Single Bench of High Court had held the same to be mandatory and even the Division Bench in appeal had affirmed the said view. The relevant extract from the said case i.e. *(2012) 6 SCC 345 – Goodyear India Limited vs. Norton Intech Rubbers Private Limited and another is reproduced* herein-under:-

> "Having considered the submissions made, both on behalf of the petitioner and on behalf of the respondents, we do not see any reason to interfere with the views expressed, both by the learned Single Judge, as also the Division Bench with regard to Section 19 of the 2006 Act. It may not be out of place to mention that the provisions of Section 19 of the 2006 Act, had been challenged before the Kerala High Court in Kerala SRTC v. Union of India, where the same submissions were negated and, subsequently, the matter also came up to this court, when the special leave petitions were dismissed, with leave to make the pre-deposit in the cases involved, within an extended period of ten weeks. We may also indicate that the expression "in the manner directed by such court" would, in our view, indicate the discretion given to the court to allow the pre-deposit to be made, if felt necessary, in instalments."

21. The said view has been reiterated by Hon'ble Supreme Court in *2022 (7) SCC 429 - M/s Tirupati Steels vs. M/s Shubh Industrial Component and another*, as under :-

> 4. The question which is posed for consideration of this Court is, whether, the pre-deposit of 75% of the awarded amount as per section 19 of the MSMED Act, 2006, while challenge to the award under section 34 of the Arbitration Act, 1996, is made mandatory or not, is now no longer res integra in view of the decision of this Court in the case of **Gujarat State Disaster Management Authority Vs. Aska Equipments Limited; (2022) 1 SCC 61.** While interpreting section 19 of the MSMED Act, 2006 and after taking into consideration the earlier decision of this Court in the case of **Goodyear (India) Ltd. Vs. Norton Intech Rubbers (P)**

Ltd.; (2012) 6 SCC 345, it is observed and held that the requirement of deposit of 75% of the amount in terms of the award as a pre-deposit as per section 19 of the MSMED Act, is mandatory. It is also observed that however, at the same time, considering the hardship which may be projected before the appellate court and if the appellate court is satisfied that there shall be undue hardship caused to the appellant/applicant to deposit 75% of the awarded amount as a pre-deposit at a time, the court may allow the pre-deposit to be made in instalments. Therefore, it is specifically observed and held that pre-deposit of 75% of the awarded amount under section 19 of the MSMED Act, 2006 is a mandatory requirement. In para 13 of the aforesaid judgment, it is observed and held as under :-

> "13. On a plain/fair reading of Section 19 of the MSME Act, 2006, reproduced hereinabove, at the time/before entertaining the application for setting aside the award made under Section 34 of the Arbitration and Conciliation Act, the appellant-applicant has to deposit 75% of the amount in terms of the award as a pre-deposit. The requirement of deposit of 75% of the amount in terms of the award as a pre-deposit is mandatory. However, at the same time, considering the hardship which may be projected before the appellate court and if the appellate court is satisfied that there shall be undue hardship caused to the appellant-applicant to deposit 75% of the awarded amount as a pre-deposit at a time, the court may allow the pre-deposit to be made in instalments."

22. It, thus, stands crystalised the only discretion that the Court may exercise in the matter of deposit in terms of Section 19 of the MSMED Act, 2006 is with regard to the manner in which said amount may be deposited and nothing more as is specifically provided in proviso to Section 19 of the MSMED Act, 2006. Nothing has been shown to this Court to justify any deviation from the same. Consequently, this Court does not find any ground to interfere with the impugned order.

23. The petition is found to be sans merit and is hereby dismissed.

9.10.2023 **(Gurvinder Singh Gill)**
kamal **Judge**

Whether speaking /reasoned Yes / No
Whether Reportable Yes / No