

Ajay

**IN THE HIGH COURT OF JUDICATURE AT BOMBAY
CIVIL APPELLATE JURISDICTION**

WRIT PETITION NO. 6196 OF 2024

HB Estate Developers Limited	.. Petitioner
Versus	
Gladiance Automation Private Limited	.. Respondent

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- Mr. Rugved More, Advocate for Petitioner.
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CORAM : MILIND N. JADHAV, J.

DATE : APRIL 26, 2024.

P.C.:

- 1.** Not on Board. Mentioned. Taken on Board.
- 2.** Heard Mr. More, learned Advocate for Petitioner.
- 3.** By virtue of the impugned order dated 15.03.2024, Writ Petitioner has been directed to deposit 75% amount of the award which is under challenge in the Section 34 Petition under the Micro Small and Medium Enterprises Development Act, 2006 (for short “**the said Act**”).
- 4.** Mr. More has drawn my attention to the Award and more specifically the operative part thereof which has been passed in respect of an amount of Rs.7,05,518/- alongwith interest under Sections 15 and 16 of the said Act. According to the Writ Petitioner under the aforesaid statutory provisions, the total amount along with interest is

a little over of Rs.22 lakhs. However the learned Trial Court has considered the interest computation furnished by the Respondents at a higher rate which is challenged in the Petition.

5. Mr. More has drawn my attention to the computation of interest which is noted by the learned Trial Court in paragraph No.6 of the impugned order and the computation of which is appended at page No.59 of the Writ Petition. He would submit that though the computation of interest on the reducing balance basis has been appropriately done, however the *sine qua-non*, i.e. the starting point which has been adopted as 28.25% is itself incorrect and in that view of the matter, after computation of interest applied by the Respondents, the total Award amount is raised to Rs. 61,93,989.27.

6. Mr. More would submit that the Writ Petitioner has deposited 75% of the amount of the amount of Rs.22 lakhs.

7. In view of the above, the impugned order shall stand stayed in the meanwhile for enabling the Respondent to make its submissions. If the Respondent is able to satisfy this Court regarding the Application of the rate of interest applied by them in consonance with the provisions of the said Act, this order shall stand vacated. Both parties shall be heard on the next date.

8. In view of the above, the impugned order dated 15.03.2024 shall stand stayed.

9. An arguable case has been made out by Mr. More for issuance of notice and stay of the impugned order dated 15.03.2024.

10. Hence, issue notice to the Respondent. Humdast permitted.

11. In addition to Court notice, Petitioner is permitted to serve a copy of the Writ Petition and this order on the Respondent and inform about the next date of hearing by any permissible mode of service and file appropriate Affidavit of service with tangible proof thereof on or before the next date.

12. Respondent is directed to remain present in Court on the next adjourned date either by themselves or through Advocate.

13. Respondent is directed to take cognizance of this order and file their Affidavit-in-Reply on or before the next date, if so desired.

14. It is clarified that, present Writ Petition shall be disposed of on the next adjourned date at the stage of admission itself so that the substantive challenge under Section 34 can be decided.

15. Stand over to 10th May, 2024.

[MILIND N. JADHAV, J.]

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