



A.No.2059 & 2060 of 20

A.Nos.2059 & 2060 of 2024

**RESERVED ON
12.08.2024**

**PRONOUNCED ON
09.09.2024**

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K.KUMARESH BABU, J.

These applications have been filed to waive the requirement to pay the 75% pre-deposit under Section 19 of the Micro, small, Medium, Enterprises Development Act, 2006 (hereinafter referred to 'MSMED Act, 2006').

2. Heard Mr.Sricharan Rangarajan, learned Senior Counsel for Ms.Krithika Jaganathan, learned counsel for the petitioner and Mr.P.V.Balasubramanian, learned counsel for Mr.J.Lenin, learned counsel appearing on behalf of the respondent.

3. The main contention of the learned counsel for the petitioner is that the statutory Tribunal under the MSMED Act, 2006 does not have jurisdiction to decide the dispute between the parties. The contention raised by the learned counsel for the petitioner is that the purchase orders which were placed upon the respondent are related to the year 2016-17 and at that relevant point of time, the respondent was not a supplier registered under the MSMED Act, 2006. The respondent had only registered himself as a supplier under the MSMED Act, 2006 in the year 2018. Therefore, the



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reference to the statutory authority as per the Act would itself be bad in law, as the statutory authority does not have jurisdiction to deal with any dispute that had arisen prior to the registration as supplier under Act. In that context, he had relied upon the various judgments of the Hon'ble Apex Court, wherein the Apex Court had held that for initiation of an arbitration proceedings under the MSMED Act, 2006, the claimant should have been registered under the said Act at that relevant point of time.

4. On the other hand, the learned counsel appearing on behalf of the respondent has not only relied upon various judgments to substantiate the jurisdiction of the arbitral Tribunal and also submitted the judgments which relates to the jurisdiction of this Court itself to submit that the O.P.before this Court would not be maintainable and that the statutory arbitration under the MSMED Act, 2006 is available to the respondent.

5. I have considered the rival contentions made by the learned counsels appearing on either side and perused the materials available on record.

6. Without going into the rival contentions of the learned counsels appearing on either side as regards to the jurisdiction of this Court to deal with the issue and also having been prima facie satisfied with the claim



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made by the petitioner that the statutory authority under the MSMED Act, 2006 would only have the jurisdiction to entertain a dispute when the supplier had been registered under the MSMED Act, 2006 at that relevant point of time, I am inclined to order these applications as prayed for. However, the parties are at liberty to raise all these issues at the time of disposal of the Original Petition.

7. In fine, these applications are allowed and the 75% pre-deposit under the Act is dispensed with for the present.

Gba

09.09.2024

Index: Yes/No
Speaking Order/Non Speaking Order
Neutral Citation: Yes/No



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