

IN THE HIGH COURT OF JUDICATURE AT BOMBAY
CIVIL APPELLATE JURISDICTION
WRIT PETITION NO. 12133 OF 2025

Midea India Pvt Ltd

..Petitioner

Versus

Micro And Small Enterprises Facilitation Council
& Anr

...Respondents

Mr. Sharad Bansal, with Shreya Jha, Krishkumar A Jain & Kalpesh
Bandre, i/b Ritesh Jain, for the Petitioner.

Mr. Suresh Dhole, with Anuja Dhole/Trilokekar and Pushpa Shinde,
for the Respondents.

CORAM: N. J. JAMADAR, J.

DATED : 23rd SEPTEMBER 2025

ORAL ORDER:

1. Heard the learned Counsel for the parties.
2. The challenge in this Petition is to an order dated 19th March 2025, passed by the Micro, Small and Medium Enterprises Facilitation Council, MMR Region, Mumbai.
3. The Petitioner had raised an objection to the jurisdiction of MSEFC on the ground that the contract in question was a works contract and, therefore, the provisions of Section 18 of Micro, Small and Medium Enterprises Development Act, 2006 were not attracted.

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4. By the impugned order, the MSEFC has rejected the Application holding that, it has jurisdiction to decide the reference under Section 18(1) of the Act 2006.

5. In view of the statutory regime under the Act 2006, the challenge to the order passed by the MSEFC has to follow the discipline of the provisions contained in Section 19 of the Act 2006.

6. A useful reference in this context can be made to a Three Judge Bench judgment of the Supreme Court in the case of **India Glycols Ltd. and Anr. v/s. Micro and Small Enterprises Facilitation Council, Medchal and Ors,**¹ wherein the Supreme Court enunciated in clear and explicit terms that Section 18 of the Act, 2006 provides for recourse to a statutory remedy for challenging an award under the 1996 Act. That recourse to the remedy is subject to the discipline of complying with the provisions of Section 19. The entertaining of a petition under Articles 226/227 of the Constitution, in order to obviate compliance with the requirement of predeposit under Section 19, would defeat the object and purpose of the special enactment which has been legislated upon by Parliament.

7. When the Court expressed its disinclination to entertain the Petition, the learned Counsel for the Petitioner submitted that, it be clarified that, the Petitioner may agitate the issue of jurisdiction at the stage of final adjudication in the arbitration under Section 18(3) of the Act 2006, as the impugned order is unreasoned.

1 (2025) 5 SCC 780.

8. The submission is justifiable.
9. The question as to whether the jurisdiction of MSEFC is barred in view of the underlying contract being a works contract being rooted in the facts, can be legitimately decided at the stage of the final decision.
10. Therefore, it is clarified that, the Petitioner is at liberty to agitate the said issue at the stage of final adjudication and MSEFC shall decide the same on its own merits and in accordance with law without being influenced by the impugned order.
11. Petition disposed.

[N. J. JAMADAR, J.]