



WEB COPY

WP No. 10510 of 2



IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 01-06-2026

CORAM

THE HON'BLE MR JUSTICE M.DHANDAPANI

**WP No. 10510 of 2020
& W.M.P.No.12767 of 2020**

Farwood Industries Limited
Siruvapuri Village,
GNT Road, Chennai,
Rep by its Managing Director, M.P. Farook,

..Petitioner(s)

Vs

1. The Regional Micro and Small Enterprises,
Facilitation Council, Coimbatore Region,
Rep by its Chairman,
District Industries Centre,
2, Raja Street, Coimbatore- 641 001.
2. CK Airtech India Pvt Ltd
Plot No.129- Pt,
SIPCOT Phase-I,
Hosur - 635 126.

..Respondent(s)

Prayer : Petition filed under Article 226 of the Constitution of India praying for issuance of Writ of certiorari to call for the records from the 1st Respondent in connection with the impugned proceedings in OP. No. MSEFC/ CBER/ 55/ 2019 pending on the file of the 1st respondent along with the summon dated 31.12.2019 issued by the 1st respondent and quash the same as the 1st Respondent doesn't have the jurisdiction under section 18 of the MSMED Act, 2006 to adjudicate the dispute in O.P. No. MSEFC/ CBER /55/ 2019 in view of the fact that the 2nd Respondent is not a "supplier" under section 2(n) of the



MSMED Act, 2006 at the relevant point in time; further as the very claim itself is hopelessly barred by law of limitation, and further as the 1st Respondent Council has gone onto adjudicating the matter in contravention of the provisions in section 18 of the Act which requires it to initiate conciliation.

For Petitioner(s): Mr.D.Muthu Kumar
for M/s.Paul and Paul

For Respondent(s): Mr.P.Siddarth,
Government Counsel for R-1

ORDER

The present Writ Petition has been filed challenging the impugned proceedings in OP. No. MSEFC/ CBER/ 55/ 2019 pending on the file of the 1st respondent along with the summon dated 31.12.2019 issued by the 1st respondent.

2. The petitioner company established in 1979 is engaged in the line of interior design, manufacturing & turnkey contracting for interior products. In 2007, the petitioner placed the purchase order to the 2nd respondent for the supply and installation of Dust Collection system and finishing line products for a value of Rs.4,00,000/-. According to the petitioner, the Dust Collection System supplied by the 2nd respondent suffered from defects and malfunctioned and therefore, the petitioner had to take major correction works in the Dust collection System and the finishing line products and incur substantial expenditure to rectify the deficiencies. The petitioner further states that the finishing line products were replaced in full and that all dues payable to the 2nd



respondent were settled including a final payment of Rs.50,000/- made on 28.09.2010. Consequently, the transaction stood fully concluded and the matter was closed. However, after a lapse of more than 8 years, the 2nd respondent initiated proceedings in 2019 before the 1st respondent council under Section 18 of the MSMED Act, 2006 seeking recovery of Rs.13,41,209/- from the petitioner. Aggrieved by the initiation of these proceedings, the petitioner has come forward with the present Writ Petition.

3. Learned counsel appearing for the petitioner submitted that admittedly, the contractual relationship between the petitioner and the 2nd respondent was commenced in 2007, the supply was completed and the final payment was made long ago. Despite the closure of transaction, the 2nd respondent approached the 1st respondent council in 2019 which is after an inordinate and unexplained delay thus the claim of the 2nd respondent is barred by limitation and therefore, the learned counsel for the petitioner prayed this Court for issuing appropriate directions to the 1st respondent.

4. A perusal of the Counter Affidavit filed on behalf of the 2nd respondent reveals that though the petitioner has raised a claim with regard to delay and limitation in the present Writ Proceedings, such issues are required to be considered by the appropriate authority along with the main application filed before the 1st respondent council. It was further contended that the petitioner had



not raised the objections concerning jurisdiction or limitation in its counter and that these objections were raised only through an additional counter subsequently filed. The 2nd respondent therefore contended that this Writ Petition has been filed pre-maturely without affording any opportunity either to the 1st respondent or to the 2nd respondent to answer those issues.

5. Considering the aforesaid submissions and after perusing the counter affidavit filed on behalf of the 2nd respondent, this Court is of the view that the questions relating to the limitation and the other issues ought to be examined by the 1st respondent counsel in the pending proceedings. Accordingly, this Court, without interfering with the proceedings impugned, directs the 1st respondent to adjudicate the dispute between the petitioner and the 2nd respondent, including the issue of limitation after issuing due notice to all concerned parties after providing them an opportunity of hearing. The 1st respondent shall complete the enquiry and pass appropriate orders within a period of twelve (12) weeks from the date of receipt of a copy of this order.

6. The Writ Petition stands disposed of with the aforesaid direction. There shall be no order as to costs. Consequently, connected Miscellaneous Petition stands closed.

01-06-2026

Index: Yes/No
Speaking/Non-speaking order
Neutral Citation: Yes/No

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