



WEB COPY

WP No. 29806 of 2



IN THE HIGH COURT OF JUDICATURE AT MADRAS

**DATED: 30-01-2026**

CORAM

**THE HON'BLE MR.JUSTICE V. LAKSHMINARAYANAN**

**WP No. 29806 of 2025 and  
WMP.Nos.33428 and 50985 of 2025**

M/s.Avl India Pvt Ltd,  
Rep By Mr.Mukul Ghansekar,  
Having Office at 376-77, Phase - IV,  
Gurgaon, Haryana 122 015.

..Petitioner

Vs

1. Micro And Small Enterprises Facilitation  
Council,  
Chennai Region, Having its Office at:  
Regional Joint Director Of Industries And  
Commerce ,  
Thiru- vi- ka Industrial Estate, Guindy,  
Chennai- 600032.
2. M/s.Metee Designs and Construction Engineers  
India Private Limited,  
Having its Office at No.1/ 460, Multi  
Industrial Estate, Multi Nagar Main Road,  
Gerugambakkam, Porur,  
Chennai-600 128.

..Respondents



Petition filed under Article 226 of the Constitution of India to issue a Writ of Certiorarified Mandamus to call for records and quash the impugned order dated 20 January 2025 passed by the Respondent No.1 in I.A. No. 1 of 2024 in case No.MSEFC/CR/319/2018 and consequently, direct the Respondent No.1 to dismiss the complaint filed by Respondent No.2.

For Petitioner: Mr.Sathish Parasaran  
Senior Counsel  
for Mr.P.Vinod Kumar

For Respondents: Mr.N.Naveen Kumar (R1)  
Government Advocate  
Dr.P.Vasudevan (R2)

### **ORDER**

Heard Mr.Sathish Parasaran, learned Senior Counsel for .Mr.Vinod kumar and Mr N.Naveen kumar for the 1<sup>st</sup> respondent and Mr.Vasudevan for the 2<sup>nd</sup> respondent.

2. When the WMP was listed, with consent, the main Writ Petition itself was taken up for disposal.

3. The petitioner challenges an order passed by the 1st respondent, dismissing the petition filed by him, questioning the jurisdiction of the Micro and Small Enterprises Facilitation Council (MSEFC). The challenge to jurisdiction was on the ground that the contract between the petitioner and the 2nd respondent falls under the category of works contract, and it is neither a



supply of services or goods and hence does not attract the provisions of Chapter V of the Micro, Small and Medium Enterprises Development Act, 2006 (in short 'MSME Act'). Mr. N. Naveen Kumar points out that the stage at which the proceedings are presently placed is one of conciliation.

4. Statutory conciliation is taken up by the 1st respondent, in terms of Section 18(2) of the MSME Act of 2006. At that stage, the question of raising an issue relating to jurisdiction under Section 16 of the Arbitration and Conciliation Act does not arise. Whether the contract is one of supply of goods or services, or even assuming that the present contract is a works contract, it is the duty of the MSEFC to conciliate the issue. It has been settled by the Supreme Court that once the conciliation proceedings are over, arbitration summons has to be issued to the parties before the 1st respondent. At that stage, it is for the writ petitioner to raise an issue of jurisdiction, if it is so advised.

5. A petition filed challenging the jurisdiction under Section 16, not being maintainable at the stage of Section 18(2), the first respondent ought to have dismissed the same on that ground, instead of prejudging the issue and going into it on the merits of the contentions. Hence, this Writ Petition is disposed of with the following directions:

- (i) The 1st respondent shall take all efforts to conciliate the matter.



(ii) If conciliation does not crystallize into a settlement, as contemplated under Arbitration and Conciliation Act, 1996, the 1<sup>st</sup> respondent shall issue summons for arbitration to the parties before it.

(iii) At that stage, it is open to the writ petitioner to raise such challenges on jurisdiction as permissible under law, in terms of Section 16 of the Arbitration and Conciliation Act, 1996.

(iv) In the event, an objection is raised and orders are passed, the writ petitioner can work out his right in terms of Section 34 of the Arbitration and Conciliation Act of 1996.

(v) Since an order has been passed on the merits, in a petition which is not been maintainable, necessarily, the order passed by the 1<sup>st</sup> respondent has to be set aside. Accordingly, the ordered impugned herein is set aside.

No costs. Consequently, connected Miscellaneous Petition is closed.

**30-01-2026**

Index: Yes/No

Speaking/Non-speaking order

Neutral Citation: Yes/No

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To

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1. Micro and Small Enterprises Facilitation Council  
Chennai Region, Having its Office at  
Regional Joint Director of Industries and Commerce,  
Thiru- Vi- Ka Industrial Estate, Guindy, Chennai- 32.
2. M/s. Metee Designs and Construction Engineers India Private Limited,  
Having its Office at No.1/ 460, Multi Industrial Estate,  
Multi Nagar Main Road, Gerugambakkam, Porur,  
Chennai- 128.



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**V.LAKSHMINARAYANAN, J.**

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