[3418]

IN THE HIGH COURT FOR THE STATE OF TELANGANA AT HYDERABAD

THURSDAY, THE TWENTY FOURTH DAY OF OCTOBER TWO THOUSAND AND TWENTY FOUR

PRESENT

THE HON'BLE THE CHIEF JUSTICE ALOK ARADHE

<u>AND</u>

THE HON'BLE SRI JUSTICE J. SREENIVAS RAO

CIVIL REVISION PETITION No: 2954 of 2024

Petition filed under Article 227 of the Constitution of India against the order dated 10-07-2024 passed in I.A.No.273 of 2024 in I.A.No.5 of 2024 in C.O.P.No.18 of 2023 on the file of the Court of the Special Judge for Trial and Disposal of Commercial Disputes, Ranga Reddy District.

Between:

M/s.Brahma Teja Paper Products (BTPP), A Proprietary Concern, having Office at 11-9-256/1, Kothapet, Hyderabad - 500 035, Rep. by its Sole Proprietor, P.Janaki W/o.P.Sreedhar, Aged about 54 years, R/o. Hyderabad.

...PETITIONER/RESPONDENT No.1/PETITIONER/RESPONDENT No.1

AND

1. The National Small Industries Corporation Ltd. (NSIC), Rep.by its Authorized Signatory and GPA Holder, S.Suresh, Senior Branch Manager.

...RESPONDENT/PETITIONER/RESPONDENT No.1/PETITIONER

- 2. The Director of Social Welfare, Govt of A.P.TG Plaza Building Tadepalle, Guntur District A.P-522 501.
- 3. A.P. Social Welfare Residential Educational / Institutions Society (APSWREI), Rep. by its Secretary, D.No.12-467-9, Moksha Sai Plaza, Service Road, Tadepalle, Guntur District - 522 501.
- 4. Telangana State Micro and Small Enterprises Facilitation Council (TSMSMEFC), Rep.by its Chairman, Ranga Reddy Region, Office at District Industries Center, S-34, II Floor, integrated District- Officer Complex, Kongarakalan Village, Ranga Reddy District -501 510.

(Respondents 2 to 4 are not necessary parties to this CRP).

...RESPONDENTS/RESPONDENT Nos.2 to 4/RESPONDENT Nos.2 to 4

Counsel for the Petitioner: Mr. Vedula Srinivas, appears for Ms. Vedula Chitralekha

Counsel for the Respondent No.1: Mr. J. Prabhakar, appears for Ms. D. Venkata Padmaja

The Court made the following: ORDER

THE HON'BLE THE CHIEF JUSTICE ALOK ARADHE AND THE HON'BLE SRI JUSTICE J.SREENIVAS RAO Civil Revision Petition No.2954 of 2024

ORDER: (Per the Hon'ble the Chief Justice Alok Aradhe)

Mr. Vedula Srinivas, learned Senior Counsel appears for Ms. Vedula Chitralekha, learned counsel for the petitioner.

Mr. J.Prabhakar, learned Senior Counsel appears for Ms. D.Venkata Padmaja, learned counsel for respondent No.1.

2. Heard on the question of admission.

3. In this petition under Article 227 of the Constitution of India, the petitioner has assailed the validity of the order dated 10.07.2024, passed by Court of the Special Judge for Trial and Disposal of Commercial Disputes, Ranga Reddy District (for short 'the Commercial Court'), by which the application *viz.*, I.A.No.273 of 2024, preferred by the respondent under Section 144 read with Section 151 of the Givil Procedure Code, 1908 (CPC), has been allowed. 4. Facts giving rise to filing of this petition briefly stated are that respondent No.1 is a Government of India Enterprise, incorporated to promote, aid and foster the growth of micro, small and medium enterprises in the country. Respondent No.1 and the petitioner had entered into an agreement on 14.05.2013 under tender marketing scheme. A dispute had arisen between the parties, which was referred to Facilitation Council under the Micro, Small and Medium Enterprises Development Act, 2006. The aforesaid Council passed an award on 03.11.2022 in favour of the petitioner.

5. Respondent No.1 challenged the aforesaid award in a petition under Section 34 of the Arbitration and Conciliation Act, 1996 (for short 'the A&C Act'). Respondent No.1 had deposited a sum of Rs.50,23,828/-, which was kept in a fixed deposit. The Commercial Court, by an *ex parte* order dated 14.12.2023, passed in I.A.No.379 of 2023, called for the FDR along with interest and thereafter, by order

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dated 23.04.2024, passed in I.A.No.5 of 2024, permitted withdrawal of the amount by the petitioner.

6. Respondent No.1, thereupon filed a civil revision petition viz., CRP.No.1543 of 2024, in which order dated 23.04.2024, was assailed. A Division Bench of this Court, by order dated 19.06.2024, passed in the aforesaid civil revision petition, set aside the same and issued the following directions.

"For the aforementioned reasons, impugned order dated 23.04.2024 is set aside. The learned Judge of the Commercial Court is directed to decide the aforesaid application along with petition under Section 36 of the Arbitration and Conciliation Act, 1996 after hearing the parties within a period of three weeks from the date of receipt of copy of the order passed today."

7. Thereafter, respondent No.1 filed an application viz., I.A.No.273 of 2024 under Section 144 read with Section 151 of the CPC, on 21.06.2024, seeking redeposit of the amount withdrawn by the petitioner by virtue of order



dated 23.04.2024, passed in I.A.No.5 of 2024. The Commercial Court, by an order dated 10.07.2024, has directed the petitioner to redeposit a sum of Rs.50,85,490/- withdrawn by it. The aforesaid order has been assailed in this civil revision petition.

8. Learned Senior Counsel for the petitioner has submitted that the provisions of Section 144 of the CPC cannot be invoked as the rights of the parties have not attained finality. In the absence of final adjudication, the Commercial Court grossly erred in passing the impugned order in exercise of powers under Section 144 of CPC. In support of aforesaid submission, reliance has been placed on decisions of the Supreme Court in Binayak Swain v. Ramesh Chandra Panigrahi¹, Kerala SEB v. M.R.F. Ltd.,² and Southern Eastern Coalifields Ltd. v. State of M.P.³

- ¹ AIR 1966 SC 948
- ² (1996)1 SCC 597
- ³ (2003) 8 SCC 648

9. On the other hand, learned Senior Counsel for respondent No.1 has supported the impugned order passed by the Commercial Court.

10. We have considered the submissions made on both sides and have perused the record.

11. It is pertinent to note that a Division Bench of this Court, by order dated 19.06.2024, passed in Civil Revision petition No.1543 of 2024, had directed the Commercial Court to decide the application filed by the petitioner seeking permission to withdraw the amount deposited by respondent No.1 as well as the petition filed by respondent No.1 under Section 36 of the A&C Act seeking stay of the award passed by the Arbitrator in favour of the petitioner. In order to carry out the direction issued by this Court, it was necessary for the Commercial Court to direct the petitioner to redeposit the amount withdrawn by it. The order, which has been passed by the Commercial Court, can, in any case, be traceable to the

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inherent powers of the court under Section 151 of CPC. Therefore, it is not necessary for us, in the peculiar facts of the case, to adjudicate whether or not the powers under Section 144 of CPC could have been exercised. The impugned order passed by the Commercial Court neither suffers from any jurisdictional infirmity nor any error apparent on the face of the record.

12. In the result, the Civil Revision Petition fails and is, hereby, dismissed. No costs.

As a sequel, miscellaneous petitions, pending if any, stand closed.

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SECTION OFFICER

Sd/- A.V.S. PRASAD ASSISTANT REGISTRAR

1. The Special Judge for Trial and Disposal of Commercial Disputes, Ranga Reddy District.

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- 2. One CC to Ms. Vedula Chitralekha, Advocate [OPUC]
- 3. One CC to Ms. D 'Jenkata Padmaja, Advocate [OPUC]

4. Two CD Copies Kam/gh



To,

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HIGH COURT

DATED:24/10/2024



ORDER

CRP.No.2954 of 2024

DISMISSING OF THE CIVIL REVISION PETITION



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