



HIGH COURT OF UTTARAKHAND AT NAINITAL

THE HON'BLE CHIEF JUSTICE MR. MANOJ KUMAR GUPTA

AND

THE HON'BLE JUSTICE MR. SIDDHARTHA SAH

Writ Petition (M/B) No.655 of 2026

M/s Bansal Construction

--Petitioner

Versus

State of Uttarakhand & Others

--Respondents

August 25, 2026

Presence:-

Mr. Sagar Kothari, learned counsel for the petitioner.

Mr. B. P. S. Mer, learned Standing Counsel for the State.

JUDGMENT : (per Mr. Manoj Kumar Gupta, C.J.)

1. The present writ petition has been filed praying for a writ of mandamus commanding the respondents to release the entire outstanding payments due to the petitioner for the work done by it under a contract with the respondent department and accordingly pay ₹ 50,00,000/- and also release the security deposit of ₹ 18,07,085/- along with interest as mandated under the provisions of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006) from the due date i.e. 06.06.2025.

2. The petitioner is admittedly a Small Enterprise and therefore, the provisions of the Micro, Small and Medium Enterprises Development Act, 2006 are applicable. Section 17 of the Act provides that if any



goods are supplied or services rendered by a supplier to which the provisions of the Act are applicable, the buyer shall be liable to pay the amount with interest thereon as provided under Section 16. Section 18 of the Act provides for any dispute between MSME and the buyer being referred, firstly, to the Micro and Small Enterprises Facilitation Council for conciliation, and if the conciliation remains unsuccessful, for dispute being decided by way of arbitration by the Council itself or by way of a reference to any institution or center providing alternative dispute resolution services.

3. Apart from the aforesaid remedies available to the petitioner under the Act, it appears that under the contract, the petitioner also has remedy of seeking reference to an adjudicator.

4. Learned counsel for the petitioner states that after filing of the writ petition, an order has been passed by the Engineer, which is wrong, therefore, the petitioner intends to seek reference of the dispute to the adjudicator in terms of the stipulations in the agreement.

5. In view of the above, we dispose of the instant petition giving liberty to the petitioner to avail the remedy provided under the contract or under the provisions of



the MSMED Act, 2006.

(MANOJ KUMAR GUPTA, C. J.)

(SIDDHARTHA SAH, J.)

Dated : 25.08.2026

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