

MHRG170003012023



IN THE COURT OF DISTRICT JUDGE-1 PANVEL AT PANVEL
(BEFORE S.R.UGALE)
EXHIBIT 50 IN EXECUTION PETITION NO.2/2023
(DATED 11/02/2026)

The Judgment Debtor has moved present application for impounding of the award, suspension of the Execution Proceedings and cancellation of the execution warrant.

2] It is the case of Judgment Debtor that an arbitral award is an instrument under The Maharashtra Stamp Act, 1958 and requires payment of stamp duty as provided for in Article 12 to the Schedule of the Stamp Act. Until such amount is paid, the Stamp Act provides the award would be unenforceable. This is mandatory provision of the law and there are no exceptions. It is apparent that award in the present case is not stamped adequately whatsoever. Thus it must be impounded first and then stamp duty and penalty must be adjudicated and paid. Only then the award could be enforceable and any steps in furtherance thereof could be taken.

3] Further it is the case of Judgment Debtor that despite of the above clear facts, the Decree Holder never highlighted the same before this Court and clandestinely obtained orders in execution including issuance of warrant on unstamped and inexecutable award. Such an order could never have been passed and no

warrants could ever have been issued when the award itself could not have been acted upon.

4] It is also the case of Judgment Debtor that this Court has not calculated or crystallized the interest component of the award in the present case. Warrants in execution have been issued merely on the ipse dixit of the Decree Holder without any working or calculation for the same having been provided. Thus the issuance of warrant without amounts first being adjudicated on and decided by this Court are itself grounds for staying and canceling the execution warrants. Hence, it is prayed by Judgment Debtor that the award be impounded and steps be taken as per Maharashtra Stamp Act, 1958 for the payment of stamp duty on the award. Further it is prayed by Judgment Debtor that execution of award be stayed, suspended or deferred and execution of warrants issued thereunder be canceled.

5] The Decree holder resisted the application by filing affidavit in reply vide Exh.61. It is stated that this Court is barred from entertaining and adjudicating the present application by virtue of principle of res sub judice as the Judgment Debtor has filed a similar interim application before the Hon'ble High Court viz. Interim application No.621/2026 in Commercial Arbitration Petition No.469/2022 inter alia seeking a stay on the execution/implementation of arbitration award. Further it is stated by Decree Holder that any application inter alia seeking a stay on the execution of the award can only be entertained by this Court

upon deposit of 75% of the total awarded amount under the Arbitral award. In the present case since the Judgment Debtor has miserably failed to deposit 75 % of the total awarded amount, the present application cannot be entertained. Further it is stated by Decree Holder that arbitral award has been issued on 27/06/2022 pursuant to which the Decree Holder had filed present execution proceeding before this Court in February, 2023. However, from February, 2023 till filing of said application, Judgment Debtor never made a whisper about its frivolous objection regarding stamping of the award. It is now only when the warrant of attachment is due to be executed, the Judgment Debtor has raised frivolous plea to further derail and delay the execution of the arbitral award. In the light of above the present application lacks bonafide and is filed solely with the purpose to delay, derail and prevent execution of the arbitral award. Hence, it is prayed by Decree Holder that the application be rejected.

6] Heard Ld. Adv. Shri Burad for the Judgment Debtor and Ld.Adv. Shri Loya for the Decree Holder. Perused application, say and other material placed on record. Both the Ld.Advocates have made their respective submissions on the line of averments made in the application and say respectively.

7] It is pertinent to note that the award was passed by Micro and Small Enterprises Facilitation Council on 27/06/2022 and the Decree Holder has filed present execution proceeding before this Court in the month of February, 2023. The Decree Holder even did

not bother to appear in the present execution proceeding till 12/01/2026. Had it really intended to putforth its grievance with regard to stamping of award, it would have appeared immediately and putforth its grievance to that effect before this Court. However, the Judgment Debtor failed to do so and raised its grievance only when attachment warrant was issued by this court. Further more, it is pertinent to note that the award has been rendered by the MSEFC pursuant to reference made under section 18 of MSMED Act. The present award does not arise from an Arbitral Tribunal construed to pursuant written agreement between parties agreed to refer disputes to arbitral tribunal. Article 12 of Schedule I of Stamp Act is applicable only in case of arbitral awards as a result of written agreement between the parties to submit the disputes to Arbitration. Article 12 of Schedule I of Stamp Act is not applicable to the awards rendered pursuant to the statutory reference of Arbitration made by statutory authorities or the Civil Court. In light of above since arbitral award is an result of statutory reference under section 18 of the MSMED Act the arbitral award needs not be stamped pursuant to Schedule 12 of Stamp Act.

7] Further more, it is important to take into account that the Judgment Debtor has filed petition under section 36 of The Arbitration and Conciliation Act before the Hon'ble High Court seeking stay to the award and other consequential reliefs. Thus the matter is seized by the Hon'ble Bombay High Court. In such circumstances it would not be appropriate to consider present

application by this court. Further more it is also pertinent to note that the Hon'ble Bombay High Court vide its order dated 16/01/2026 passed in Commercial Arbitration Petition No. 469/2022 granted liberty to Judgment Debtor to apply for stay upon deposit of 75% of the amount in terms of the award. The Judgment Debtor has not deposited any amount of award till today in the Court. It is also important to mention here that the Hon'ble Bombay High Court in its order dated 12/12/2025 expressly clarified that since no stay has been granted in the petition, the Executing Court is at liberty to proceed with the execution application. By way of present application the Judgment Debtor under the guise of seeking recall or cancellation of warrant indirectly seeking stay to the execution of award. This court is therefore precluded from entertaining present application. Considering the aforesaid aspects, I do not find any substance in the application. Hence, I pass the following order.

ORDER

- 1.The application stands rejected.
2. In the peculiar circumstances parties to bear their own costs.

Panvel
Date :-11/02/2026

(Shailesh R. Ugale)
District Judge-1 Panvel-Raigad

CERTIFICATE

I affirm that, the contents of this P.D.F. file judgment/ order are same, word to word, as per the original Judgment.

Name of Stenographer : S. J.Sheth (Grade-1)
Name of Court : District Court-1 & Additional
Sessions Court, Panvel
Date of dictation (direct) : 11/02/2026
Order signed by the
Presiding Officer on : 11/02/2026
Order uploaded on : 18/02/2026