

**IN THE HIGH COURT OF MANIPUR
AT IMPHAL**

Arbitration Appeal No.01 of 2013

National Hydro Electric Power Corporation
Ltd NHPC Office Complex, Sector-33
Faridabad 121003, Haryana. Appellant

-Versus-

State of Manipur through Chief Engineer
(Power), Electricity Department,
Government of Manipur, Keishampat,
Imphal 795001, Manipur. ... Respondents

**BEFORE
HON'BLE THE ACTING CHIEF JUSTICE MR.MV MURALIDARAN
HON'BLE MR. JUSTICE A.GUNESHWAR SHARMA**

For the Appellant :: Mr.H.S.Paonam, Sr.Advocate

For the respondent :: Mr.H.Debendra, Dy. A.G.

Date of hearing/ :: 28.03.2023
Order

ORDER

A.Guneshwar Sharma,J.

Vide award dated 15.07.2007, the learned Sole Arbitrator passed an award for a sum of Rs.26,76,23,990/-, including principal amount of Rs.14,63,56,742/- plus surcharge of Rs.12,12,67,248/- in favour of the appellant herein, NHEPC against the State of Manipur.

[2] The respondent herein challenged the award before the Court of learned District Judge, Manipur, in Arbitration Case No.1 of 2007 and, vide judgment and order dated 31.12.2012, the award was set aside on the ground that the award is patently illegal and against the public policy. The appellant herein approached this Court by way of Arbitration Appeal No.1 of 2013.

[3] When the matter was taken up on 11.11.2022, Mr.Lenin Hijam, learned Advocate General, Manipur produced a letter dated 7.11.2022 addressed to his office by the Deputy Secretary (Power), Government of Manipur, wherein 4 (four) months' time was sought for settling the case and for making payment of Rs.15.03 crores to the appellant.

On 13.03.2023, the learned Advocate General, Manipur produced a letter dated 10.03.2023 wherein the Finance Department, Government of Manipur had allocated a sum of Rs.15.03 crores payable to the appellant and administrative approval of ES and EP was pending.

On 20.03.2023, when the matter was taken up, this Court passed an order, which reads as follows:

"[1] Heard Mr.H.S.Paonam, learned senior counsel for the appellant; and Mr.Amri, learned junior counsel to Advocate General, Manipur for the State respondents.

[2] When the matter was taken up on 11.11.2022, this Court recorded the statement made by Mr.Lenin Hijam, learned AG, Manipur that he has received the letter dated 07.11.2022 addressed to his office by the Deputy Secretary (Power), Govt of Manipur wherein 4 (four) months' time has been sought for settling the case and for making payment of Rs.15.03 crore to the appellant. Accordingly, the matter was adjourned to 13.03.2023.

[3] When the matter was again taken up on 13.03.2023, Mr.Lenin Hijam, learned AG, Manipur produced a letter dated 10.03.2023 in which it is stated that the Finance Department, Govt of Manipur has allocated a sum of Rs.15.03 crore payable to the appellant and administrative approval for ES and EP is pending. Therefore, the matter was adjourned to 20.03.2023.

[4] When the matter is taken up today, Mr.Amri, learned junior counsel to Mr.Lenin Hijam, learned AG, Manipur has produced a letter dated 17.03.2023 which is addressed to his office by stating that once the concurrence is obtained from the Finance Department, Govt of Manipur, the requisite payment will be made to the appellant, namely, National Hydro Electric Power Corporation Ltd (NHEPC Ltd). By saying this, Mr.Amri, learned junior counsel, seeks further time.

[5] However, Mr.H.S.Paonam, learned senior counsel for the appellant has strongly objected in granting further time to the respondents. Since the respondents has taken periodical adjournments without finalising the settlement payment and considering the nature of request made by the learned counsel for the respondents, we are inclined to adjourn this matter to 28.03.2023 finally to comply the order dated 11.11.2022.

[6] Therefore, post this matter on 28.03.2023 to comply the order dated 11.11.2022 and report this Court without fail."

[4] On 28.03.2023, when the matter was taken up Mr.H.Debendra, learned Deputy Advocate General, Manipur appearing for the State produced an order dated 27.03.2023 passed by the Commissioner (Power), Government of Manipur, wherein the Governor of Manipur accorded administrative approval and expenditure sanction for an amount of Rs.15,03,14,140/- for payment of outstanding dues to National Hydro Electric Project Corporation Ltd. The order dated 27.03.2023 is reproduced hereinbelow.

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GOVERNMENT OF MANIUPR
SECRETARIAT: POWER DEPARTMENT

ORDERS BY THE GOVERNOR: MANIPUR
Imphal, the 27th March, 2023

No.POWER-2/36/2022 POW-PD: The Governor of Manipur is pleased to accord Administrative Approval and Expenditure Sanction to an amount not exceeding Rs.15,03,14,140/- (Rupees fifteen crore three lakh fourteen thousand one hundred forty) only for payment of outstanding dues to National Hydro Electric Project Corporation Ltd with respect to (Arb A(J2) Petition No.1 of 2013 (NHPC) Vs the State of Manipur & Ors) (Ref: Arb Case No.1 of 2007) to be taken over by Government of Manipur.

2. The expenditure is debitable to MH: 2801, Sub-Majair: 80, Minor: 800-other Expenditure, Sub-Head: 40, Detailed: 01-MSPDL, Object: 35

3. This is issued with the concurrence of Finance Department, Government of Manipur vide their U.O No.FX/23/47/2022-2023 dated 25th March, 2023.

By orders & in the name of Governor
Sd/-
(Dr.Shailesh Kumar Chourasia)
Commissioner (Power), Govt of Manipur."

Mr.H.Debendra, learned Deputy A.G, Manipur submits that the order of this Court dated 11.11.2022 for settling the case and making payment of Rs.15.03 crores to the appellant is complied with the issuance of the Government order dated 27.03.2023. Mr.H.S.Paonam, learned senior counsel for the appellant also agrees to the suggestion of the learned Dy. A.G., Manipur.

In view of the above, the instant appeal and applications, if any, are disposed of.

JUDGE

ACTING CHIEF JUSTICE

Priyojit

RAJKUMAR
R PRIYOJIT
SINGH

Digitally signed
by RAJKUMAR
PRIYOJIT SINGH
Date: 2023.04.21
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