

HIGH COURT OF CHHATTISGARH, BILASPUR

W.P.No. 2504 of 2002

Union of India, through Senior Divisional Electrical Engineer, (TRD)
South Eastern Railway, Bilaspur.

---- Petitioner

Versus

1. Chhattisgarh State Electricity Board, Through Chairman-
Chhattisgarh Electricity Board Danganiya, Raipur (C.G.).
2. Madhya Pradesh Electricity Board, Through Chairman MPEB,
Jabalpur.
3. State of Chhattisgarh through Secretary Energy Department, Raipur
(C.G.).

---- Respondents

For Petitioner	:	Mr. H.S. Ahluwalia, Advocate.
For Respondent 1 & 2	:	None.
For Respondent No.3	:	Mr. Arun Sao, Dy. Advocate General.

Hon'ble Shri Justice Sanjay K. Agrawal

Order On Board

22/06/2017

1. Case of the Petitioner/Railway is that the charges for electricity bill is being raised by the Respondent Electricity Board on the basis of contract demand for 3000 KVA pursuant to the agreement dated 28/03/1995. Thereafter, a request was made by the Railway in the year, 2001 to the respondent Electricity Board for reducing the contract demand from 3000 KVA to 100 KVA in respect of the Bishrampur Traction Sub-Station (for short "the Bishrampur TSS") w.e.f. 01/3/2000. Ultimately the contract demand was reduced to 100 KVA by virtue of agreement dated April, 2004. The outstanding bill for Bishrampur TSS, according to the

respondent Electricity Board, is Rs. 10,50,31,395/-.

2. The respondent Electricity Board has issued a notice on 01/06/2010 to the Railways for making payment of outstanding arrears to the tune of Rs. 10,50,31,395 in full by 15/06/2010. Thus, the application (I.A. No. 4) was filed by the petitioner/Railways on 14/06/2010 seeking a direction against the respondent Electricity Board not to disconnect the electricity supply to the Bishrampur TSS.

3. Mr. H. S. Ahluwalia, learned counsel for the petitioner would submit that the agreement of side tension supply entered between the petitioner and Board contains an arbitration clause-30 and by way of the arbitration, such dispute can be resolved.

4. Clause 30 of the agreement provides as under:-

“In the event of any dispute or difference arising between the consumer and the Board as regards the interpretation of this Agreement or any other matter arising out or in connection with this Agreement, except a dispute regarding recovery of charges for energy consumed any any other charges such an minimum charges, miscellaneous and other charges or a dispute regarding any matter for which a method of determination is prescribed in the Acts, Rules, Regulations and conditions of supply mentioned in Clause 32 hereof such dispute or difference shall be returned to the arbitration of two arbitrators one to be appointed by each party hereto and an umpire to be appointed by the Arbitration before entering upon the reference. The decision or award of the said arbitration or umpire shall be final and binding on the parties hereto and the provisions of the Indian Arbitration Act, 1940, or any statutory modification thereof for the time being in force shall apply to any such reference. Upon every or any such reference the cost of any incidental to the conference any award respectively shall subject to the condition that the amount of such cost to be awarded to either party shall not in respect of a monetary claim exceed the percentages out below of any such award irrespective of the actual fee, cost and expenses incurred by either party be in the direction of the arbitrators who may determine the amount thereof in between party and party and shall direct by whom and in what manner the same shall be borne and paid.

The percentages above referred to in this clause are 5 percent on any such monetary award which does not exceed Rs. 10,000/-, 3

percent on the next Rs. 40,000/- or any part thereof 2 percent on the next Rs. 30,000/- or any part thereof and 1 percent on any excess over Rs. 1,00,000/-”.

5. Since the dispute is arbitrable, Mr. Ahluwalia submits that the petitioner be allowed to approach to get the dispute resolved by way of Arbitration and also submits the interim order operating since 16/06/2010, may be allowed to be continued till the appointment of the Arbitrator.

6. Looking to the fact that the dispute is arbitrable, this Court is not inclined to entertain the writ petition. However, the Petitioner is free to do the needful for resolving the dispute by way of Arbitration. Interim order granted earlier is extended for a period of 4 weeks, in that period, the Petitioner is free to move suitable application under the provision of the Act, 1996.

7. With the aforesaid observations, the writ petition stands disposed of.

Sd/-
SANJAY K. AGRAWAL
Judge