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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**

\+ W.P.(C) 17875/2024, CM APPL. 76087/2024 & CM APPL. 76088/2024

KATARIA CARRIERS .....Petitioner

Through: Mr. Pritinker Diwaker, Senior Advocate with Mr. Gaurav Tanwar and Ms. Shreya Jain, Advocates.

versus

UNION OF INDIA & ORS. .....Respondents

Through: Mr. Ankur Mittal, CGSC with Mr. Aviraj Pandey, Advocate for R-1, 4 & 5.

Mr. Rudra Paliwal, G.P. for UOI.

Mr. Sarojanand Jha, Ms. Rajreet Ghosh and Ms. Muskan Saxena, Advocates for R-3

**CORAM:**
**HON'BLE MR. JUSTICE SANJEEV NARULA**

**O R D E R**

% **23.12.2024**

1. An agreement dated 27th June, 2011 was executed between Petitioner and Respondent No. 3 (Bharat Heavy Electrical Limited[1]), whereunder they were required to transport machinery for Respondent No. 3. In this relation, on 28th September, 2011 while the vehicle of the Petitioner was crossing the bridge, an incident occurred which purportedly resulted in damages to the goods which were being transported.

2. For these goods, BHEL had taken a comprehensive insurance policy with Respondent No. 2 (National Insurance Company Limited) and accordingly made a claim under the said policy. The said insurance claim

was repudiated by Respondent No. 2 on 19th November, 2015. BHEL was also initiated arbitration proceedings against the Petitioner which has culminated in an award dated 16th March, 2021[2] fixing the liability on the Petitioner. Under the said arbitral award approximately Rs. 19 crores are payable by the Petitioner to Respondent No. 3. Furthermore, under the arbitral award, certain counter claims framed by Petitioner, were also allowed.

3. Parallelly, Respondent No. 3 had also initiated Administrative Mechanism for Resolution of CPSEs Disputes[3] for resolution of their disputes against Respondent No. 2. The AMRCD was established as a specialized framework for resolving disputes between Central Public Sector Enterprises in a structured and time-bound manner. It operates under the Office Memorandum dated 22nd May 2018 issued by the Ministry of Heavy Industries & Public Enterprises, Department of Public Enterprises. However, these proceedings have not led to any resolution so far.

4. The Petitioner claims that if Respondent No. 2 makes certain payments under the insurance claims to Respondent No. 3, it would impact their liability under the arbitral award. Therefore, the Petitioner has a vested interest in the swift conclusion of the AMRCD proceedings.

5. In such circumstances the Petitioner is seeking the following directions:

> *"a Allow the present Writ Petition and issue any writ, order or direction in the nature of mandamus and/or any other appropriate writ, order or direction in the nature thereof, directing Respondent No. 1, 4 & 5 to adjudicate and dispose of*

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[1] "BHEL"
[2] "arbitral award"
[3] "AMRCD"

> *the issue of wrongful repudiation of the insurance claim by Respondent No. 2 as already initiated by Respondent No. 3, under AMRCD mechanism (Annexure P-1), within a fixed timeline as deemed appropriate by this Hon'ble Court;"*

6. Given that there is already an arbitral award imposing liability on the Petitioner, the Court refrains from making observations on the question of whether the proceedings before Respondent No. 1, would actually affect the Petitioner's liability or not. Moreover, the Petitioner, which is not a PSE, has no locus to seek any directions to Respondent No. 1.

7. Nonetheless, given the significant amount of time that has lapsed, and Respondent No. 1 is yet to make a decision, certain directions are required, which would eventually also bring respite to Respondent No. 3. In fact, counsel for Respondent No. 3 informs the Court that a recent meeting of the companies of Secretary, took place on 2nd December 2024, and further meetings are scheduled to occur in one month. In such circumstances, a direction is issued to Respondent No. 1 to conclude the proceedings as expeditiously as possible.

8. It is once again clarified that the aforenoted directions, shall not be construed as any indication of the Court's view on the Petitioner's liability under the arbitral award, nor shall they impact the Petitioner's liability in the ongoing execution proceedings initiated by Respondent No. 3 for the enforcement of the award.

9. With the above direction, the present petition is disposed of along with pending applications.

**SANJEEV NARULA, J**

**DECEMBER 23, 2024**/as