

Amberkar

IN THE HIGH COURT OF JUDICATURE AT BOMBAY
O.O.C.J.

INTERIM APPLICATION NO. 6055 OF 2025
IN
COMMERCIAL SUIT NO. 79 OF 2025

City Corporation Ltd .. Applicant

In The Matter Between

City Corporation Ltd .. Plaintiff

Versus

Maharashtra State Electricity Distribution
Company Ltd .. Defendant

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- Ms. Deepa Chauhan, Senior Advocate a/w Ms. Dipali Sheth, Ms. Reshmarani Nathani, Mr. Sonesh Jain, Mr. Manjit Velkhu i/by Eternity Legal, Advocates for Applicant / Plaintiff
- Mr. Nirav Shah a/w Mr. Anuj Jaiswal & Ms. Niharika Singh i/by Little & Co., Applicant in IA(L) No. 37353/2023 and Advocates for Defendant in Suit

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CORAM : MILIND N. JADHAV, J.

DATE : NOVEMBER 26, 2025

P. C.:

1. Heard Ms. Chauhan, learned Senior Advocate for Plaintiff and Mr. Shah, learned Advocate for Defendant.

2. My attention is drawn to the interim reliefs prayed for in the Interim Application seeking restraint on the Defendant from taking any coercive steps in respect of the impugned bills which are appended at page Nos. 31-85 of the Interim Application.

3. Premise of the Suit *prima facie* happens to be a contractual dispute between the parties. Parties executed 4 different sets of

contracts between 2010 and 2015 for Distribution Franchisee Agreements (DFAs). Final Contract was executed in 2015 had a tenure upto 2018. However during the tenure of this contract sometime around 2016, it is averred by Plaintiff that Defendant's Board unilaterally passed resolution (on 20.05.2016) altering terms of the contract and in view thereof called upon Defendant to execute fresh contract on those terms. Being aggrieved, Defendant approached the superior Appellate Authorities under the Electricity Act including a round before the Division Bench of this Court. Statutory Authorities rejected the plea of Plaintiff on the ground of jurisdiction ultimately leading to filing of the present Suit proceedings.

4. Ms. Chauhan has taken me through the pleadings and prayer clauses which primarily seek declaration that the Final DFA-2015 contract is binding and the resolution passed thereafter be treated as illegal and not binding on the Plaintiff. Injunction is also sought from seeking any coercive action against the Plaintiff.

5. **PER CONTRA** Mr. Shah would at the threshold submit that there is an O. VII, R. 11 Application filed by Defendant seeking dismissal of Suit on the ground that Plaintiff has not adhered to the provisions of Section 12A of the Commercial Courts Act, 2015 before filing of the Suit. Another submission made by Mr. Shah is that Plaintiff despite having filed Suit in the month of March 2025 has filed the present

Interim Application recently and therefore that itself on the face of record shows that there is no urgency as to why this Court should consider the same. Be that as it may record of the case *prima facie* shows that Plaintiff was in the interregnum protected by the Court's order. Further since demands have been raised by bills against the Plaintiff recently in September 2025, the Interim Application has been filed. However having lost over the issue of jurisdiction of the Statutory Authorities, Plaintiff is now before this Court. It is seen that a demand in excess of Rs. 1.95 Crores is raised against Plaintiff.

6. After hearing the submissions advanced by both the learned Advocates, I have impressed upon them to take appropriate instructions considering the *lis* being purely a contractual dispute as raised by Plaintiff for mediation and / or settlement.

7. Ms. Chauhan also informs the Court that under Section 158 of the Electricity Act, 2003 one of the avenue proposed as ADR is arbitration. Mr. Shah shall look into it and take appropriate instructions from the Defendant Authorities and accordingly apprise the Court on the next adjourned date. It is directed that no coercive steps shall be taken against the Plaintiff in respect of recovery of the impugned bills (appended at page Nos. 31-86) and summarized at page No. 87 of the Interim Application.

8. Stand over to **10th December, 2025** under the caption "**for Directions**".

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[MILIND N. JADHAV, J.]

Digitally signed
by RAVINDRA
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