

IN THE HIGH COURT OF JHARKHAND AT RANCHI
W.P. (C) No. 5303 of 2025
With
W.P. (C) No. 6007 of 2025
With
W.P. (C) No. 2583 of 2025

M/s Vijai Electricals Ltd., Hyderabad, through its Authorized Signatory, Mr.
P. Srinivasa Rao (GM-Marketing & Sales)

..... Petitioner

Versus

1. The State of Jharkhand, through the Chief Secretary, Department of Energy, Ranchi
2. Jharkhand Bijli Vitran Nigam Limited, through its Managing Director, Ranchi
3. Finance Controller, JBVNL, Ranchi
4. Chief Engineer (R.E.), JBVNL, Ranchi
5. The General Manager (Rural Project), JBVNL, Ranchi

..... Respondents

CORAM
HON'BLE THE CHIEF JUSTICE
HON'BLE MR. JUSTICE RAJESH SHANKAR

For the Petitioner: Mr. N.K. Pasari, Advocate
Mr. Shubham Choudhary, Advocate
For the Respondents: Mr. Sachin Kumar, A.A.G.-II

05/22.01.2026

1. Heard learned counsel for the parties.
2. Learned counsel for the parties agree that these three writ petitions can be disposed of by a common order. They point out that the material facts in all these writ petitions are substantially same, though the actual quantities or amounts involved may differ. Accordingly, we propose to dispose of these three writ petitions by a common order by treating W.P. (C) No. 5303 of 2025 as lead case.
3. The petitioner seeks an appropriate writ upon the respondents to pay an amount of Rs. 10,81,55,168.00, which according to the petitioner, has been unilaterally withheld from the payments allegedly due to the petitioner on the ground of 'Highly Quoted Rates" for specific items, despite, according to the petitioner, there being no provision in this regard.

4. The above claim arises in the context of the petitioner being declared as a successful bidder and awarded the contract for Rural Electrification works of Latehar Package under DDUGJY dated 01.11.2017.
5. Learned counsel for the petitioner submits that in terms of clause 4 of the Letter of Award, (page 375 of the paper book), rates in respect of entries quantities or varied quantities have to be determined by mutual agreement and not unilaterally, as has been done in the present matter. Accordingly, he submits that unilateral determination by the respondents is excessive, illegal, arbitrary and unreasonable. He further submits that an appropriate writ is, therefore, liable to be issued to the respondents to clear all the amounts due to the petitioner, without insisting upon unilaterally withholding the amount of Rs. 10,81,55,168.00.
6. Mr. Sachin Kumar, learned A.A.G.-II appearing on behalf of the respondents, contests the claims of the petitioner. He points out that withholding is in terms of the contractual provisions. In any event, he submits that the dispute now raised, apart from being purely contractual, would involve adjudication into highly disputed questions of fact. He submitted that Clause 26.2 of the Letter of Award (at page 399 of the paper book) provides for resolution of all such disputes through arbitration. Accordingly, he submits that this Court should not entertain the present petition, but may relegate the petitioner to resort to arbitration.
7. Upon due consideration of the rival contentions and perusal of the materials on record, we are satisfied that the dispute, now raised, is best adjudicated through arbitration, which is precisely the mode agreed to by and between the parties in terms of Letter of Award, which constitutes a contract between the parties. Incidentally, there are similar clauses in Notice Inviting Tenders, which have ultimately been mirrored in the Letter of Award issued to the petitioner.

8. Any resolution of the dispute, now raised, would involve adjudication into highly disputed questions of fact with regard to excess quantities, if any, and the rates that would apply to such excess quantities. Even if we proceed on the premise that such rates had to be settled on mutually agreed terms, if ultimately, no agreement were to be reached between the parties, the dispute would have to be resolved through the ordinary civil processes. In this case, since the parties have adopted to have their dispute resolved through arbitration, such a dispute, would have to be resolved through arbitration.
9. This is a purely contractual dispute without any serious statutory underpinnings. As noted earlier, even if we are to accept the petitioner's contention that the rates in respect of varied quantities have to be determined by mutual agreement, still, in the absence of mutual agreement, the dispute would persist and such dispute, would be difficult to be resolved in the summary and extraordinary proceedings under Article 226 of the Constitution. This is more so when the parties have themselves agreed to resolution of their disputes through arbitration.
10. Accordingly, we decline to entertain these writ petitions on the short ground that the dispute raised cannot be conveniently resolved by this Court in exercise of its extraordinary writ jurisdiction under Article 226 of the Constitution. As noted earlier, there would be several disputed questions of fact and besides, once the parties have agreed to resolve their disputes through arbitration, it could not be appropriate for this Court to enter into such controversies.
11. Since the disposal of these writ petitions is only on this ground, we leave it open to the petitioner to resort to arbitration and further clarify that all contentions of all parties are left open because we have not decided all such contentions, one way or the other.

12. At this stage, learned counsel for the parties submitted that they will obtain instructions on the appointment of arbitrators in terms of Clause 26.2 of the Letter of Award so that the Arbitral Tribunal can be constituted at the earliest and the disputes between the parties adjudicated upon.
13. Accordingly, we adjourned the matter to 22.01.2026 to enable learned counsel for the parties to obtain instructions, including the names of the arbitrators whom they wish to nominate.
14. Clause 26.2 of the Letter of Award provides that each party nominates one arbitrator, and the two nominated arbitrators nominate the third arbitrator, so that the coram of the Arbitral Tribunal is complete.
15. Accordingly, learned counsel for the petitioner in all these writ petitions, on specific instructions, submits that the petitioner is nominating Sri Narendra Nath Tiwari, Former Judge of this Court, having office at 603, R.S. Tower, 6th Floor, Opposite KC Roy Memorial Hospital, Lalpur, Ranchi, Jharkhand-834001 as the arbitrator.
16. Similarly, Mr Sachin Kumar, learned counsel for the respondents, on specific instructions, submits that the respondents in all these writ petitions are nominating Sri Ambuj Nath, Former Judge of this Court, having office at Q. No. 19, Opposite Central School, Judges Colony, Doranda, Ranchi-834002, to be an arbitrator.
17. We accordingly appoint the above former Judges of our Court as arbitrators so that they may, consistent with the provisions of Clause 26.2, nominate the third arbitrator and complete the coram of the Arbitral Tribunal. The parties, in consultation with the arbitrators, shall decide on the fee structure, and such fees shall be borne and are agreed to be borne equally by both parties.
18. Learned counsel for the parties submit that this Arbitral Tribunal shall adjudicate the dispute involved in all these writ petitions, which, according to them, are quite similar.

19. The above appointments have been made with the express consent of learned counsel for the parties based on specific instructions from the parties themselves. The appointments have been made only with a view to expeditious resolution of the disputes between the parties, and even otherwise, for only relegating the parties to resolve their disputes through arbitration.
20. The present writ petitions are accordingly disposed of in the above terms without any order for costs.

(M. S. Sonak, C.J.)

(RAJESH SHANKAR, J.)

22.01.2026
Satish/Vikas/