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WP-48120-2025

IN THE HIGH COURT OF MADHYA PRADESH
AT JABALPUR

BEFORE

HON'BLE SHRI JUSTICE SANJEEV SACHDEVA,
CHIEF JUSTICE

&

HON'BLE SHRI JUSTICE VINAY SARAF

ON THE 19th OF FEBRUARY, 2026

WRIT PETITION No. 48120 of 2025

M/S MAHAKAUSHAL SUGAR AND POWER INDUSTRIES LIMITED

Versus

UNION OF INDIA AND OTHERS

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Appearance:

Shri Vivek Tankha - Senior Advocate (through VC) and Shri Shashank Shekar - Senior Advocate with Shri Bhoopesh Tiwari - Advocate for petitioner.

Shri Aditya Adhikari - Senior Advocate with Shri Kapil Jain - Advocate for respondent.

Shri Piyush Bhatnagar - Advocate for respondent.
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ORDER

Per. Hon'ble Shri Justice Sanjeev Sachdeva, Chief Justice

1. Petitioner claims to have a sugar plant having a production capacity of 8000 tones per day. As per the petitioner, Govt of India introduced a policy "Ethanol Blended Petrol Program". Pursuant to the said program, petitioner company decided to establish an ethanol plant in the same campus where the sugar plant and cogeneration power plant is situated. Petitioner entered into a long term off take agreement with the respondents on 08.01.2022. Certain disputes arose with regard to the said agreement, consequent to which petitioner has filed the subject petition seeking the following relief:-



"7 (i) That, this Hon'ble Court may kindly be pleased to issue a Writ in the nature of Mandamus and further be pleased to direct the respondent nos.2 to 4 to resolve the dispute raised by the petitioner amicably through discussions in good faith expeditiously as provided under clause-22 particularly clause-22.1 of the long-term offtake agreement with dedicated ethanol plant dated 08/01/2022."

2. The agreement dated 08.01.2022 stipulates the following dispute resolution mechanism:-

"22. Dispute Resolution:

22.1. A Dispute shall be deemed to have arisen under this Agreement, when either Party notifies the other Party of any issue, difference or dispute in writing to that effect.("Dispute").

22.2. Any Dispute arising out of this Agreement shall be resolved amicably through discussions in good faith with a view to expeditiously resolve such Dispute. In the event the Dispute cannot be resolved amicably within a period of thirty (30) days from the date of its occurrence, either Party may refer the Dispute for resolution through conciliation in accordance with provisions of Buyer/ OMCs Conciliation Rules, if applicable or available.

22.3. In the event of non-resolution of Dispute by conciliation within a period of sixty(60) days (or any period thereafter, which the Parties may agree to mutually extend) or on non applicability of Conciliation Rules applicable to OMCs/ Buyer or on non-availability of Conciliation Rules with the OMC then in the event the dispute cannot be resolved amicably within a period of 30 days from the date its occurrence, the Parties agree that any dispute or difference whatsoever arising out of or in connection with this Agreement including any question regarding its existence, validity, construction, interpretation, application, meaning, scope, operation or effect of this contract or termination thereof shall be referred to and finally resolved through arbitration as per the procedure mentioned herein below:-

a. The dispute or difference shall in any event be referred only to a Sole Arbitrator.

b. The appointment and arbitration proceedings shall be conducted in accordance with the SCOPE Forum of Arbitration Rules for the time being in force or as amended from time to time.

c. The Seat of arbitration shall be at Mumbai.

d. The proceedings shall be conducted in English language.

e. The cost of the proceeding shall be equally borne by the parties, unless otherwise directed by the Sole Arbitrator.

22.4 when a matter is referred to resolution i under this Clause 22, it shall not prevent or constitute a valid excuse for either Party



from performing their respective obligations (to the extent possible) under this Agreement."

3. Learned Senior Counsel for the parties under instructions state that in view of the peculiar facts and circumstances of the case, the matter be referred to arbitration bypassing the dispute resolution through amicable discussion and conciliation. They state that keeping in view the nature of the case and the respective stand of the parties, conciliation may not be possible and as such direct arbitration may be more expeditious.

4. In view of the above and with the consent of parties, since the dispute resolution clause stipulates that the appointment and arbitration proceedings shall be conducted in accordance with the Standing Conference of Public Enterprises (SCOPE) Forum of Arbitration Rules and the seat of arbitration is provided at Mumbai.

5. This petition is disposed of with a request to SCOPE Forum of Conciliation and Arbitration to appoint an arbitrator/arbitrators in accordance with the dispute resolution clause as well as its rules of appointment of arbitrators. Petitioner shall submit the necessary application and pay the requisite fee in terms of the rules within a period of one week from today.

6. The secretary of SCOPE is directed to expeditiously commence the process of appointment of an arbitrator/arbitrators preferably within a period of one week of receipt of a valid request.

7. The petition is accordingly disposed of in the above terms. It would be open to the petitioner to approach the arbitrator(s) by way of an application under section 17 of the Arbitration and Conciliation Act for any interim measures.



8. It is clarified that this Court has neither considered nor commented on the merits of the contention of either party.

9. All rights and contentions of the parties are reserved.

(SANJEEV SACHDEVA)
CHIEF JUSTICE

(VINAY SARAF)
JUDGE

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