

Union of India Vs. State Bank of India

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Court : Kolkata

Decided On : Aug-14-2014

Judge : Bench

Appellant : Union of India

Respondent : State Bank of India

Judgement :

GA No.2540 of 2014 APOT No.425 of 2014 AP No.1047 of 2014 IN THE HIGH COURT AT CALCUTTA Civil Appellate Jurisdiction ORIGINAL SIDE UNION OF INDIA Versus STATE BANK OF INDIA BEFORE: The Hon'ble CHIEF JUSTICE MRS.MANJULA CHELLUR The Hon'ble JUSTICE ASHIM KUMAR BANERJEE Date : 14th August, 2014.

For Appellant : Mr.Ashoke Chakraborty, Advocate Ms.Aparna Banerjee, Advocate
For Respondent: Mr.Abhrajit Mitra, Sr.Advocate Mr.Sudeep Halder, Advocate
The Court : Heard learned Counsel for the appellant as well as the respondent.

The appellant before us is the Department of Railways, Union of India.

The entire controverRs.arise with regard to the space occupied by the State Bank of India so far as the eticketing kiosk machines at various Railway platforms/offices.

Undisputed fact is the agreement entered into between the parties was for a period of six years which admittedly came to an end in 2012.

Though the learned Counsel for the appellant says it is February 19, 2012, learned Counsel representing the bank submits it was on different periods but, however, it is in 2012.

From 2012 onwards admittedly so far as e-ticketing kiosk, State Bank of India submitted to the appellant that it is not profitable to them, therefore they would be surrendering the said space and only ATM machines which were profitable to the bank would be continued to occupy the space.

According to Railways, in spite of period of agreement came to an end, the respondent bank continued to use the space allotted to them for both ATM machines and e-ticketing kiosk, which is the subject matter of the dispute, as the respondent bank categorically denies, they intimated as and when the period came to an end so far as surrendering the space for e-ticketing kiosk.

According to the Railways, from the date of expiry of the period of license till date Rs.5 Crore and odd is the amount due, that is, rent for the composite bill for both ATM machines and also e-ticketing kiosk.

According to the learned Counsel arguing for the respondent bank, they are not obliged to pay any amount so far as e-ticketing kiosk, as way back in 2012 they had written to the Railways surrendering the space used for e-ticketing kiosk.

Learned Counsel for the respondent bank says, as a matter of fact they have paid Rs.1,72,984/- in excess, which is categorically disputed by Mr.Chakraborty, learned Counsel appearing for the respondent bank.

The controversy seems to be whether e-ticketing kiosk was surrendered from 2012 onwards without using the same and whether the Railways are entitled for enhanced rate demanded by them.

These two controversies necessarily have to be decided by the Arbitrator and the fact remains subsequent to 2012 what would be the rate payable by the

respondent bank.

In the reference the same will be decided.

As of now the respondent bank being apprehensive of removing the ATM machines and e-ticketing kiosk had approached the Learned Single Judge seeking a relief not to disturb their possession or the space occupied by the e-ticketing and ATM machines.

The Learned Judge allowed the same opining that existing rate has to be paid by the respondent bank for continuing to occupy the said space belonging to the Railways.

According to the Railways, they are not aggrieved by such direction of the Learned Judge but the arrears payable by the respondent bank from 2012 till the dispute arose which amounts to Rs.5 Crore and odd has to be paid by the respondent bank.

As already stated above, having regard to the controversies that have to be decided by the Arbitrator, in the interest of justice we are of the opinion that 50% of the amount demanded by the Railways, that is, Rs.3 Crores shall be paid by the respondent bank to the Railways within six weeks so as to have the benefit of the order of the Learned Single Judge, failing which there would not be any protection as per the terms of the Learned Judge.

We make it clear that the payment now to be made is without prejudice to the rights of the parties which will be decided by the Arbitrator.

The appeal and the application are disposed of without any order as to costs.

(MANJULA CHELLUR, CJ.) (ASHIM KUMAR BANERJEE, J.) Dg/SN.

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