



31, 38, 39, 40, 42, 43, 58

% 15.12.2008

Present: Ms Prem Lata Bansal with Mr Mohan Prasad Gupta, Mr Sanjeev Rajpal & Ms Anshul Sharma for the appellant in ITA Nos 52/2007.
Mr R D Jolly for the appellant in ITA Nos 1254/2008, 1257/2008, 1260/2008, 1327/2008, 1328/2008, 1331/2008.
Mr Rajiv Tyagi for DTTDC in ITA No 52/2007.
Mr P P Malhotra, ASG with Mr Mukesh Anand & Mr Shailesh Tiwari for the respondent in ITA Nos 1257/2008, 1327/2008.

+ITA Nos 52/2007, 1254/2008, 1257/2008, 1260/2008, 1327/2008, 1328/2008, 1331/2008

In all these appeals the dispute is between the Central Government represented by the Revenue and public sector undertakings of the State Government. The appellant had applied for a clearance of the Committee on Disputes. However, the Cabinet Secretariat has returned the applications for clearance by their letter dated 23.05.2008 indicating that in view of the Supreme Court decision dated 11.10.91, the Committee on Disputes has jurisdiction in matters relating to disputes between Central Government departments and its own PSUs and its mandate does not extend to disputes involving State Governments or its PSUs.

We may note that the issue with regard to disputes and differences between Central Government and State Government entities is also required to be referred to a committee for approval before litigation comes to Court. This has been made clear by the Supreme Court in the case of ONGC Ltd vs City Industrial Development Corporation Maharashtra & Anr : 2007 (7) SCC 39.

The Supreme Court has specifically directed as under:-

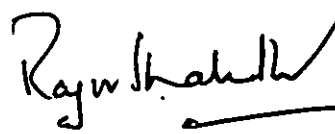


“Considering the nature of the controversy which is a recurring feature we direct that a committee be formed to sort out the differences between the Central Government and the State Government entities. The composition of such committee shall be as follows:-

- (1) The Cabinet Secretary of the Union;
- (2) Chief Secretary of the State;
- (3) Secretaries of the concerned departments of Union and the State;
- (4) Chief Executive Officers of the concerned undertakings.”

From the above it is clear that the matters concerning disputes between Central Government and State Government entities are also to be cleared by the committee as directed to be constituted by the Supreme Court. We accordingly direct the appellant to approach the Cabinet Secretary who is the head of the said committee for a clearance before approaching this Court. In case the clearance is granted by the committee, the appellant/revenue would be at liberty to file fresh appeals within 15 days of receiving the clearance. The appeals stand disposed of accordingly.


BADAR DURREZ AHMED, J


RAJIV SHAKDHER, J

December 15, 2008
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