निदेशक (प्रणाली) दि.वि.पा. डायरी न. 7.96-र्ने दिनाँक. 24.15./23





No. EM2(3)2023/RZ/141/DDA/ 224

Dated: 26 | 5 | 23

# M. O. MEETING OF THE 866<sup>th</sup> MEETING OF ASB HELD ON 17.05.2023 IN THE CHAMBER OF CHIEF ENGINEER (HQ), DDA

866<sup>th</sup> Meeting of Arbitration Security Board (ASB) under the chairmanship of CE(HQ) held on 17.05.2023 at 11.00 A.M. in the chamber of CE(HQ) to deliberate Arbitral award in the matter of M/s. Integrated Techno Systems Pvt. Ltd. Vs. DDA in respect of following work:-

N.O.W

Protection of Vacant Land in Rohini Zone, DDA

Sub-head

Total Survey Station of Vacant Land in Sector-

26,31,32,33,38,39,40 & 41 at Rohini Zone.

Agency

M/s. Integrated Techno Systems Pvt. Ltd.

Agmt. No.

07/EE/RPD-XI/A/2015-16

The Agenda note submitted by the CE(RZ) vide file no. F.67(04)A/RPD-11/DDA/2015-16/256, dated 09.05.2023.

The meeting was attended by the following officers:-

Shri Sanjay Kumar Khare

CE (HQ)

Chairman

2. Shri S.S. Meena

CE(RZ)

**Executive Member** 

3. Shri. Vinod Kumar

Dy. CLA-III

Member

4. Shri Raj Pal Singh

Dir. (Finance, Consultant)

Member

5. Shri R.K. Bhanwaria

Dir. (Works)/Consultant

Member, Secretary

The case was presented by Sh. S.S. Meena, CE(RZ), DDA.

## Brief history of the case is as under:-

The disputes arose between DDA and agency (claimant) in aforesaid work. Accordingly, the claimant had moved an application dated 20.08.2019 before Sh. Shailendera Sharma, Engineer Member, DDA under clause 25 of the contract Agreement Sh. Shailendra Sharma, Engineer Member, DDA vide communication No. EM2(07)2019/Arbn./Vol.III/Pt.-144/DDA/3176 dated 28.10.2019 appointed Sh. R.N. Dandekar, Addl. D.G. (Retd.), CPWD as Sole Arbitrator to decide the disputes raised as per provisions of the Arbitration and Conciliation Act, 1996 (in short: "Act of 1996") as amended upto date by way of passing the Award. The parties completed their pleadings before the said learned Sole Arbitrator. Thereafter, the Claimant filed a petitioner before



Hon'ble High Court of Delhi under Sections 14(2) read with Section 15 and 12(5) of the Act being O.M.P. (T) COMM.) 34/2020 seeking termination of mandate of Arbitrator unilaterally appointed by the Respondent. Allowing the said petition Hon'ble High Court appointed Sh. S.K. Sarvaria, Former District & Sessions Judge Delhi as Sole Substitute Arbitrator by terminating the mandate of Sh. R.N. Dandekar, Addl. D.G. (Retd.), CPWD VIDE Order dated 03.01.2022 with specific direction that the proceedings already conducted before erstwhile Arbitrator shall not be repeated before the Substitute Arbitrator. Accordingly, Sh. S.K. Sarvaria have made declaration under Section 12 of Arbitration and Conciliation Act, 1996 as on 11.01.2022 and gave it to the parties accordingly, on the same day.

After completion of proceeding the Ld. Arbitrator has pronounced the award dated 27.02.2023 amounting to Rs. 57,09,128/- including interest (pre-arbitration calculated @9% p.a. payable for 947 days i.e. upto180 days after date of submission of final bill i.e. 25.03.2017 to 28.10.2019 date of appointment of arbitrator and pendent elite calculated @9% p.a. payable for 1217 days from 29.10.2019 to 27.02.2023 date of award). The future interest has awarded @ 11% p.a. from 28.02.23 till payment.

#### Legal Opinion of the Panel Lawyer:

The Panel Lawyer has given his comments against each awarded claim. In nut-shell Panel Lawyer has suggested impugned award may be challenged.

#### Recommendation of CLA:

Agreed with the view of Panel Lawyer and recommended to challenge the award. It is also advised that the awarded amount may be deposited while challenging to avoid additional interest later.

#### Recommendation of EE/RMD-3:

It is recommended to challenge the award pronounced by the Ld. Arbitrator dated 27.02.23 as the award is not maintainable.

#### Recommendation of SE/RCC-1:

Agreed with the comments given by EE/RMD-3. Hence, recommended to challenge the award.

#### Recommendation of CE(Rohini):

In view of above recommendation of Panel Lawyer, CLA, EE/RMD-3 and SE/RCC-1, this office is also of the view that award of Ld. Arbitrator may be challenged.

### Recommendation of ASB:

After due discussion and deliberation the ASB is of the view that the award of the Arbitrator may be challenged as per recommendations of CE(Rohini). CLA has advised that the awarded amount be deposited while challenging the award to avoid additional interest burden. CE(Rohini) may look into this aspect and take necessary action with the approval of competent authority in this regard.

As per revised delegation of power issued vide no. EM1 (10)2018/Del. of Power/DDA/260 dated 29.01.2019 by CE (HQ), DDA. EM/DDA is the Competent Authority in r/o award amount more than Rs. 25 lacs in consultation with CAO/DDA, with due scrutiny by Arbitration Scrutiny Board headed by CE(HQ), DDA.

-Sd-Dir(Works)/Consultant Member Secretary -Sd-Dy. CLA-III Member -Sd-Dir (Finance, Consultant) Member

-Sd-CE(RZ) Executive Member -Sd-CE(HQ) Chairman

> Director (Works)/Consultant Member Secretary

#### Copy to:

- 1) EM/DDA for information please.
- 2) All concerned.
- Director (System) for uploading on DDA website please.
  - 4) EE/RMD-3/DDA.

Director (Works)/Consultant

Member Secretary

3h- Josh 89 157 3h- Josh 89 157 3h- 5-73 mpanan 20 (S) Sh. Dev. N.

