

DY. DIRECTOR (SYSTEMS)-VII

DIARY No. 985

DATE 24/8/26



निदेशक (प्रणाली) दि.वि.प्रा

डायरी नं. 1485

दिनांक 24/08/2026

दिल्ली विकास प्राधिकरण

DELHI DEVELOPMENT AUTHORITY

ई.एम. सचिवालय

E. M's SECRETARIAT

No. EM2(3)2025/EZ/227/DDA/744

Dated: 21/08/2026

MINUTES OF THE 951st MEETING OF ASB HELD ON 14.08.2026

951st Meeting of Arbitration Scrutiny Board (ASB) under the chairmanship of CE(HQ), DDA was held on **14.08.2026 at 05:00 P.M.** to deliberate the judgement dated 22.05.2026 of Hon'ble Supreme Court of India in SLP (C) No. 13508/2026 in the arbitration matter between **DDA vs M/s GL Litmus Events Pvt. Ltd.** with respect to following work: -

- N.O.W. : Commonwealth Games Project assigned to DDA.
SH: Design, Built, Maintenance and Rental Contract for Temporary Accommodation using Tensile Fabric at Commonwealth Games Village.
- Agency : M/s GL Litmus Events Pvt. Ltd.
- Agmt. No. : 01/EE/CGD-2/DDA/2010-2011
(renumbered as 05/EE/CGD-8/DDA/2010-11).

The meeting was attended by the following ASB members: -

- | | | |
|----------------------------|-------------------|-------------------|
| 1. Shri Sanjay Kumar Khare | CE(HQ), DDA | Chairman |
| 2. Shri Bajrang | CE(EZ), DDA | Executive Member |
| 3. Shri Manohar Lal | Addl. CLA/DDA | Member |
| 4. Shri B. M. Tewari | Director(Finance) | Member |
| 5. Shri Amit Singh | Dir. (Works) | Member, Secretary |

Other attendees:

1. Smt. Madhuri Prasad, SE/ECC-II
2. Sh. Chhanveer, EE/CGD-I
3. Sh. Prashant Kumar, E.O.-I to EM
4. Sh. Ashutosh Sharma, AE/CGD-I

The case was presented by Chief Engineer (EZ).

BRIEF HISTORY OF THE CASE IS AS UNDER: -

Estimated cost: Rs. 42,56,54,320/-
Tendered Amount: Rs. 41,37,90,258/-
Date of start: 02.03.2010
Stipulated Date of completion: 24.12.2010
Actual date of completion: 18.02.2011

• **Arbitration Proceedings:**

- Commenced on 20.03.2013.
- Arguments concluded on 10.09.2015, with hearings held on 01.03.16, 04.05.16 for clarifications.
- Award pronounced on 27.11.2017, by Ld. Arbitrator Sh. D.V. Raghav.

• **Arbitration Award:**

"NIL" award published vide SE(Arbn.) DDA on 27.11.2017, against agency's claims amounting to ₹35,87,67,929/- plus interest @ 18.00 % (towards outstanding invoices including interest and interest on late payment of bills).

Brief of claims as follows:

Sr. No.	Description of Claims	Amount (in Rupees)	Award
Claim -1	Interest @ 18% per annum on Rs 37,96,305.32 on delayed payment against Invoice No.1 (adjusted against surplus amount) from its due date i.e. from 25/6/2010 till 7/10/2010.	1,94,704/-	-Nil-
Claim -2	Interest @ 18% per annum on Rs 34,64,628.40 on delayed payment against Invoice No.3 (adjusted against surplus amount) from its due date i.e. 22/6/2010 till 7/10/2010	1,82,818/-	-Nil-
Claim -3	The outstanding amount of Invoice Nos 4.5 & 6 on account of difference in the invoiced amount and the amount adjusted against the surplus payment received by GLLE from DDA.	30,09,710/-	-Nil-
	Interest 18% per annum on: a) Rs. 1,21,17,018.00 from its due date ie 6.8.2010 till 7.10.2010 and on:	3,70,482/-	-Nil-
	b) current outstanding of Rs.30,09,710/- from 06.08.2010 to 31.05.2013.	15,27,284/-	-Nil-
Claim -4	The outstanding amount of Invoice Nos. 7, 8 & 9, on account of difference in the invoiced amount and the amount approved by DDA on 04.09.2010.	2,43,26,819/-	-Nil-
	Interest @ 18% per annum on Rs.2,43,26,819 from its due date, i.e. 4/9/2010 till 31/5/2013.	1,19,96,787/-	-Nil-
Claim -5	The outstanding amount of Invoice Nos. 13,14,15,16 & 17, on account of difference in the invoiced amount and the amount approved by DDA on various dates i.e. 07 10.2010, 30.11.2010.	9,43,55,770/-	-Nil-
	Interest @ 18% per annum on Rs. 9,43,55,770/- from its due date i.e. 30/11/2010 till 31/5/2013.	4,24,83,362/-	-Nil-
Claim -6	The outstanding dues amount of Invoice No. 18	94,42,710/-	-Nil-
	Interest 18% per annum on a) Rs. 5,61,97,678/- from its due date ie. 1/10/2011 till 24/11/2012:	1,16,39,848/-	-Nil-
	b) Rs. 1,99,12,243/- from 25/11/2012 till 1/3/2013	9,42,695/-	-Nil-
	c) Rs. 94,42,710/- from 2/3/2013 till 31/5/2013	4,19,101/-	-Nil-
Claim -7	Interest @ 18% per annum on delayed refund of Security deposit		
	a) Rs 1,74,72,111/- from 18.02.2012 till 24.11.2012 and	24,12,587/-	-Nil-
	b) Rs. 24,72,110/- from 25.11.2012 till 30.03.2013 and the approximate bank charges paid towards extension of Bank Guarantee (the	1,52,390/-	-Nil-

	correct figure shall be provided subsequently along with interest) c) Bank charges paid towards extension of bank guarantee. d) Interest @18% per annum on Rs. 1,74,290/- from the due date till the date of its actual realization i.e. 19.12.2010 to 31.05.2013.	1,74,290/- 76,840/-	-Nil- -Nil-
Claim -8	Losses suffered by GLLE on account of unjustified TDS deductions under Section 36A of DVAT Act, in respect of Invoice Nos. 1 to 17. Interest 18% per annum on Rs. 60,75,533 from the due date till the date of its actual realization.	66,75,533/- 33,93,355/-	-Nil- -Nil-
Claim -9	Losses suffered by GLLE on account of unjustified TDS deduction of Labour Cess in respect of Invoices Nos. 1 to 16 and in Invoice No. 17 Interest @ 18 % per annum on Rs. 43,25 162 from the due date till the date of its actual realization	43,25,162/- 19,69,064/-	-Nil- -Nil-
Claim -10	Losses suffered by GLLE on account of arbitrary deductions made by DDA without any explanation. Details of the said deductions is listed herein below: a) Deduction for reduced maintenance period Rs. 87,00,000/- b) Interest charged by DDA amounting to Rs. 12 32,301/- on Rs 87,00,000/- that is reduced maintenance period c) Deduction on account of QC controls Rs.4,00,000/- d) Interest charged by DDA on land rent Rs. 22,011/- Interest 18% per annum on Rs. 1,03 54 312/ from its due date till the date of us actual realization.	1,03,54,312/- 9,59,972/-	-Nil- -Nil-
Claim -11	Interest @ 18% per annum on amounts withheld initially but paid later on Rs 81,86,709.00 from 24.11.2012 to 30.3.2013 and on Rs 55,00,000.00 from 24 11.2012 to 29.4.2013.	9,31,821/-	-Nil-
Claim -12	Bonus for Early Completion of Work, as per the terms and Conditions specified in the Contract. Accordingly, claim @1% of the contract value which comes to Rs.41,37,902/- is raised by GLLE for early completion of work on 15.09.2010, one month prior to the actual date of completion ie. 16.10.2010	41,37,902/-	-Nil-
Claim -13	Costs of Arbitration Proceedings and for other Legal Proceedings.	25,00,000/-	-Nil-
Claim -14	Damages for mental stress, harassment & agony suffered because of acts and conduct of DDA for an amount of Rs.5,00,00,000/-.	5,00,00,000/-	-Nil-
Claim -15	Damages for loss of reputation, image & opportunities, for an amount of Rs. 7,00,00,000/-.	7,00,00,000/-	-Nil-

Claim -16	Claim on account of pre-reference, interest from 01.06.2013 till filing of Claim, pendentelite and future interest @ 18% per annum on each claim		-Nil-
	TOTAL CLAIM AMOUNT (Rs.) =	35,87,67,929/- plus interest @ 18.00 %	-Nil-

• **Challenge before Hon'ble High Court:**

The agency, M/s GL Litmus Events Pvt. Ltd., challenged the Award before Hon'ble High Court of Delhi in OMP(COMM) No.189/2018 on dated 28.02.2018.

• **High Court's Judgment:**

The Hon'ble High Court vide judgement dated 01.09.2025 had **set aside the Award**, and stated that "I am of the view that the Award dated 27.11.2017 is against the "public policy of India" covered under section 34(2)(b)(ii) of 1996 Act as it contravenes the most basic notions of justice as the Award has been pronounced after 19 months of conclusion of proceeding.

• **Challenge before Hon'ble High Court by DDA against Court order dated 01.09.2025:**

After due deliberation and recommendation of ASB in its 920th meeting held on 08.10.2025 under the Chairmanship of CE(HQ), DDA has challenged the judgement of Hon'ble High Court of Delhi dated 01.09.2025 before division bench of Hon'ble High Court of Delhi vide FAO(OS)(COMM) 195/2025 on dated 30.10.2025.

• **High Court's Judgment in FAO(OS)(COMM) 195/2025 dated 02.12.2025:**

The double bench of Hon'ble High Court of Delhi has dismissed DDA's appeal vide judgment dated 02.12.2025, thereby affirming the order passed by the Ld. Single Judge.

• **Challenge before Hon'ble Supreme Court of India by DDA for Court order dated 02.12.2025:**

After due deliberation and recommendations of ASB in its 928th meeting held under the chairmanship of CE(HQ) on 22.01.2026, DDA has challenged the judgement of Hon'ble High Court of Delhi dated 02.12.2025 in Hon'ble Supreme Court of India vide SLP (C) 13508/2026.

• **Hon'ble Supreme Court of India Judgment in SLP (C) 13508/2026 dated 22.05.2026:**

Hon'ble Supreme Court of India has dismissed DDA's appeal vide judgment dated 22.05.2026, thereby affirming the order passed by the Ld. Single Judge.

Opinion of Panel Lawyer: -

The Panel Lawyer, after examining the matter, has opined as under:

At the outset, it is pertinent to note that the challenge pursued by the Petitioner before the Hon'ble Supreme Court raised a substantial question concerning the extent to which delay in pronouncement of an arbitral award can, by itself, constitute a ground for setting aside an otherwise reasoned award.

The arbitral proceedings involved extensive pleadings, documentary evidence, measurement records, running account bills and contractual claims arising from a Commonwealth Games infrastructure project. The learned Arbitrator conducted multiple hearings, permitted additional submissions sought by the claimant itself and ultimately rendered a detailed award dated 27.11.2017 whereby all sixteen claims raised by GL Litmus Events Pvt. Ltd. were rejected on merits.

The principal contention urged on behalf of Petitioner before the Hon'ble Supreme Court was that neither the learned Single Judge nor the Division Bench had found any perversity, patent illegality, jurisdictional error or infirmity in the reasoning of the arbitral award and that the award had been set aside solely on account of delay in pronouncement. It was further contended that the approach adopted by the Courts below was inconsistent with the principles subsequently reiterated by the Hon'ble Supreme Court in *Lancor Holdings Ltd. v. Prem Kumar Menon*, wherein it was observed that delay by itself is insufficient to invalidate an arbitral award unless such delay demonstrably affects the adjudicatory process or the findings rendered therein.

However, notwithstanding the aforesaid submissions, the Hon'ble Supreme Court, upon hearing the Petitioner, declined to interfere with the judgment of the Division Bench and dismissed the Special Leave Petition.

In these circumstances, the scope for any further challenge is extremely limited. The jurisdiction of the Hon'ble Supreme Court in review or curative proceedings is confined to exceptional situations involving manifest error, violation of principles of natural justice or circumstances leading to a miscarriage of justice. No such exceptional circumstance is apparent from the order passed by the Hon'ble Supreme Court. The issues sought to be raised already stood placed before the Court and the Court, in exercise of its discretionary jurisdiction under Article 136 of the Constitution of India, declined interference.

Recommendation

It is accordingly recommended that no further proceedings be initiated in the present matter.

Recommendation of Legal/CLA, DDA

"The SLP in Hon'ble Supreme Court has been filed on the grounds that the Award had been set aside only on account of delay in pronouncement of the Award, which is otherwise a reasoned Award. And, Supreme Court judgment was also referred by our Counsel that the approach adopted by the Courts below was inconsistent with the Principle that the delay by itself is insufficient to invalidate an Arbitral Award unless such delay demonstrably affects the adjudicatory process or the findings rendered therein.

Despite these contentions, the Hon'ble Supreme court declined to interfere with the judgment of the Division Bench and dismissed the SLP.

Therefore, in view of the above and the opinion of the Panel Lawyer, I am of the view that there is a very limited scope for any further challenge.

However, department may take decision accordingly.

Recommendation of EE/CGD-I: -

Considering the facts and circumstances of the case, it is observed that DDA has very limited legal remedy available in the matter. Accordingly, it is recommended that no further legal proceedings be initiated. However, the matter may be placed before the ASB for its final decision.

Recommendation of SE/ECC-2: -

On the basis of opinion of panel lawyer, SLO/ENGG & CLA and facts on records there seems to be very less ground for appeal and so it is recommended that no further legal proceedings be initiated.

Recommendation of CE (EZ): -

Agree with the opinions, the matter may pl be placed before ASB for consideration and decision.

RECOMMENDATION OF ASB:

The Ld. Arbitrator in the instant arbitration matter has published NIL award on 27.11.2026. The said arbitral award has been challenged by the claimant in Hon'ble High Court of Delhi. The Hon'ble High Court vide its judgement dated 01.09.2025 in OMP (COMM)189/2018 has **set aside the award**.

The judgement dated 01.09.2025 of Hon'ble High Court setting aside the award has been further challenged before the Division Bench of Hon'ble High Court. However, division bench of Hon'ble High Court vide its judgement dated 02.12.2025 in FAO(OS)(COMM)195/2025 has dismissed DDA's appeal and upheld the judgement dated 01.09.2025 of single bench.

The judgement dated 02.12.2025 of Double Bench of Hon'ble High Court has further been challenged before Hon'ble Supreme Court of India by way of SLP. However, Hon'ble Supreme Court of India vide its order dated 22.05.2026 in SLP (C)13508/2026 has dismissed DDA's petition.

ASB has considered the opinion of Panel lawyer, Legal department and Chief Engineer (East) and after due deliberation has recommended **to accept the Hon'ble Supreme Court of India order dated 22.05.2026 in SLP (C)13508/2026**, keeping in view the very limited scope for any further challenge.

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, concerned Chief Engineer is the Competent Authority to accept/challenge the claims in r/o award amount less than 25 lakhs in consultation of CAO with due scrutiny by Arbitration Scrutiny Board headed by CE(HQ).

-Sd-
Amit Singh
Dir(Works)
Member Secretary

-Sd-
Bajrang
CE(EZ)/DDA
Executive Member

-Sd-
B. M. Tewari
Director(Finance)
Member

-Sd-
Sanjay Kumar Khare
CE(HQ)/DDA
Chairman

-Sd-
Manohar Lal
Addl. CLA
Member

Director(Works), DDA

Copy to: -

1. EM/DDA for kind information.
2. All concerned.
3. Director(System) for uploading on DDA website.
4. EE/C.G.D.-I/DDA, Seedbed Park, School Block, Laxmi Nagar, Delhi-110092.

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24.8.26
DDA/Sn Vishwas

B. M. Tewari
24/8/26

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Amit Singh
24/8/2026
Director(Works), DDA
Sn. Dev. Engineer