



दिल्ली विकास प्राधिकरण
DELHI DEVELOPMENT AUTHORITY
ई.एम. सचिवालय
E. M's SECRETARIAT

No. EM2(3)2026/Dwk/231/DDA/768

Dated: 03/09/2026

MINUTES OF THE 952nd MEETING OF ASB HELD ON 02.09.2026

952nd Meeting of Arbitration Scrutiny Board (ASB) under the chairmanship of CE(HQ), DDA was held on **02.09.2026 at 11:00 A.M.** to deliberate the arbitral award dated 02.07.2026 in the arbitration matter between **Satya Pal Gupta vs DDA** with respect to following work: -

N.O.W. : C/o Master Plan Road in Narela sub-city. C/o 80M R/W Road (UER-1) from G.T. Karnal Road to Western Yamuna Canal. Commonwealth Games Project assigned to DDA.
SH: C/o 7. 5M wide Road (Side Road of carriageway) Karnal side and back-to-back U-Turn from G. T Karnal Road to 40m R/W Road Narela (UER-1).

Agency : M/s Competent Construction Co.
Agmt. No. : 04/EE/PD-7/DDA/2021-2022

The meeting was attended by the following ASB members: -

1. Shri Sanjay Kumar Khare	CE(HQ), DDA	Chairman
2. Col. Deepak Suyal	CE(Dwarka), 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. Sh. Anshul Titoria, EE/PD-XI
2. Sh. Prashant Kumar, E.O.-I to EM
3. Sh. Abhishek Kumar, AE/PD-XI

The case was presented by Chief Engineer (Dwarka).

BRIEF HISTORY OF THE CASE IS AS UNDER: -

The above-mentioned work was awarded to M/S Competent Construction Company vide Letter No. F.1(04)A/PD-7/2020-21/DDA/149 dated 23.06.2021 under Agreement No. 04/PD-7/DDA/2021-22 at a contractual amount of Rs. 1,79,71,396.09/-. The stipulated dates of commencement and completion of the work were 03.07.2021 and 31.10.2021, respectively.

The work was actually completed on 05.08.2022 and EOT was granted up to 05.08.2022 without levy of compensation. Subsequently, disputes arose between the contractor and the Department regarding payment for deviated and extra items, reimbursement of differential GST, refund of the security deposit, prolongation costs, and other contractual claims. The claimant has approached Hon'ble High Court of Delhi for appointment of arbitrator vide petition no. 1068/2024 and accordingly Hon'ble High Court vide order dated 23.07.2024 has appointed Sh. Sudarsan Singh Rawat Advocate as Sole Arbitrator in the instant matter.

The learned Sole Arbitrator has conducted the arbitration proceedings at the Delhi International Arbitration Centre (DIAC), New Delhi, in Case Ref. No. DIAC/9113/08-24 and pronounced the Arbitral Award in the instant matter on 02.07.2026.

A brief summary of the claims made by the contractor and the amounts awarded by the learned Sole Arbitrator is given below:

S.NO.	Particulars	Amount claimed	Amount Award (With comments)
1	Balance payment of Agg. Item no. 3 actually & physically executed at site but not paid by the department	81,900/-	28,94,741/-
2	Balance payment of Agg. Item no. 4 actually & physically executed at site but not paid by the department	9,27,776/-	
3	Balance payment of Agg. Item no. 5 actually & physically executed at site but not paid by the department	1,01,704/-	
4	Balance payment of Agg. Item no. 8 actually & physically executed at site but not paid by the department	2,32,817/-	
5	Balance payment of Extra Item no. 2/1 actually & physically executed at site but not paid by the department	14,50,544/-	
6	Reimbursement of differential GST	4,14,626/-	4,14,626/-
7	Security amount	4,49,285/-	Rejected
8	Overhead expenses borne by the claimant due to prolongation of contract	31,97,329/-	Rejected
	Total	68,55,981/-	32,09,367/-
9	Difference amount of GST on awarded amount of claims	Declaratory claim	Allowed (Declaratory) Subject to submission of prescribed invoices and documents.
10	Interest @12% on total amount Rs. 68,55,981/- w.e.f. 01.09.2023 till 07.10.2024 (402 days)	9,06,117/-	Not awarded as claimed. Instead, the Arbitrator awarded simple interest @ 9% p.a. on ₹32,09,367

			from the date of Award till payment, and 12% p.a. if payment is not made within 60 days from the date of the Award
11	Arbitration Cost (a) Actual amount paid to the Tribunal (b) Amount paid to the counsel to conduct the case before this Hon'ble Tribunal (c) Misc. Expenses: Rs. 21,000/-	Calculated and certificate submitted at the time of final argument	Rejected
	Total	77,62,098/-	32,09,367(+) Declaratory claim

Opinion of Panel Lawyer: -

"1-Kindly refer to the Final Arbitral Award dated 12.06.2020 passed by the Learned Sole Arbitrator, Mr. Sudarshan Singh Rawat, in the arbitration proceedings titled Mr. Satya Pal Gupta v. Delhi Development Authority, arising out of Agreement No. 04/EE/PD/7/DDA/2021-22 pertaining to the work "C/o Master Plan Road in Narela Sub-City, C/o 80M R/W Road (UFR-1) from G.T. Karnal Road to Western Yamuna Canal. Sub Head: C/o 7.5M wide road (Side Road of carriageway) Karnal side and back-to-back U-Turn from G.T. Karnal Road to 40M R/W Road, Narela (UER-1)".

2-The disputes referred to arbitration arose principally in respect of payment for deviated agreement items and an extra item executed beyond the permissible deviation limits, reimbursement of differential GST on account of enhancement of the rate of GST from 12% to 18%, refund of security deposit, compensation towards overhead expenses allegedly incurred due to prolongation of the contract, interest and costs of arbitration. The contractor had preferred claims aggregating to approximately Rs. 68.56 lakhs, besides declaratory relief and costs.

3-Upon adjudication, the Ld. Arbitrator has allowed the claims of the contractor towards balance payment of Agreement Item Nos. 3, 4, 5 and 8 and Extra Item No. 2/1, amounting to Rs. 28,94,741/-, together with reimbursement of differential GST of Rs. 4,14,626/-. thereby awarding a total principal sum of Rs. 32,09,367/-. Claim No. 9 has further been allowed by way of a declaration that the contractor shall be entitled to reimbursement of GST at the applicable differential rate on the awarded amounts, subject to production of the requisite invoices and documents.

4-It is equally pertinent that the Delhi Development Authority has substantially succeeded in defending the major monetary claims raised by the Claimant. The Learned Arbitrator has rejected the claims of the contractor towards refund of security deposit of Rs. 4,49,285/-, overhead expenses on account of prolongation of the contract of Rs. 31,97,329/-, pre-award interest as claimed in view of Clause 25(C) of the Agreement, and costs of arbitration, thereby disallowing claims aggregating to more than Rs. 36.46 lakhs. besides consequential reliefs. The Authority has thus succeeded in respect of more than half of the total amount claimed in the arbitration.

5. As regards interest, the Ld. Arbitrator has directed that the awarded principal amount of Rs. 32,09,367/- shall carry simple interest at the rate of 9% per annum from the date of the Award until actual payment. In the event of failure to make payment within 60 days from the date of the Award, the outstanding amount shall carry enhanced interest at the rate of 12% per annum from the expiry of the said period until realization. Any delay in taking a decision will therefore have a direct and escalating financial consequence for the Authority.

6. In the considered opinion of the undersigned, the Award presents a mixed outcome in which the substantial portion of the claims stands rejected in favour of the Authority, while liability has been fastened only in respect of the executed items and the differential GST, which findings rest essentially upon the appreciation of the contractual record and the measurements by the Learned Arbitrator. The scope of interference with such findings in proceedings under Section 34 of the Arbitration and Conciliation Act, 1996 is narrow, and a challenge to the Award may also expose the favorable findings on the rejected claims to scrutiny at the instance of the contractor.

7. Accordingly, the matter may be placed before the Competent Authority of the Delhi Development Authority to take a considered call on the awarded amount. The decision as to whether the awarded sum of Rs. 32,09,367/- together with interest should be paid in acceptance of the Award, or whether the Award should be challenged under Section 34 of the Arbitration and Conciliation Act, 1996, may be taken after weighing the amounts allowed against the far larger amounts rejected, the financial implication of the escalating interest, the grounds realistically available for challenge and the period of limitation prescribed under law."

Recommendation of Legal Department/CLA, DDA

"In this Arbitration matter the sole Arbitrator has awarded amount of Rs.32,09,367/- as an award.

The disputes referred to arbitration arose in respect of payment for deviated items and an extra item executed beyond the permissible deviation limits.

Arbitrator has allowed the claims of the claimant towards the balance payment of extra item together with reimbursement of differential GST and refund of security amount.

The Arbitrator has rejected the claim of the claimant towards refund of security deposit. The substantial portion of claims stands rejected in favour of DDA.

Panel Lawyer has opined that the scope of interference with such findings in proceedings under section 34 of the Arbitration and Conciliation Act, 1996 is narrow. And I am in agreement with the views of Panel Lawyer.

The decision as to whether the award should be accepted or challenged under section 34 of Arbitration and Conciliation Act, may be taken administratively.

May please see for final views."

Recommendation of EE/PD-XI/DDA: -

Total awarded amount in favor of claimant=Rs.32,09,367+GST on awarded amount+ Simple interest@9%

Accepted Amount = Rs.32,09,367+ Differential GST on awarded amount+ Simple interest@9%

Amount to be challenged= Nil

S.NO.	Particulars	Amount claimed	Amount Award (With comments)	Recommendation of EE/PD-XI
1	Balance payment of Agg. Item no. 3 actually & physically executed at site but not paid by the department.	81,900/-	28,94,741/-	Claim no 1 to 5 relate to unpaid balance amounts for agreement item no. 3,4,5, and 8 which were executed in quantities exceeding the permissible the deviation limits and for extra item no. 2/1. Ld. Arbitrator has awarded the rate of executed quantity as per applicable clause 12.2 of GCC i.e market rate which were submitted by claimant. The same may be accepted to avoid further litigation and interest cost.
2	Balance payment of Agg. Item no. 4 actually & physically executed at site but not paid by the department	9,27,776/-		
3	Balance payment of Agg. Item no. 5 actually & physically executed at site but not paid by the department	1,01,704/-		
4	Balance payment of Agg. Item no. 8 actually & physically executed at site but not paid by the department	2,32,817/-		
5	Balance payment of Extra Item no. 2/1 actually & physically executed at site but not paid by the department	14,50,544/-		
6	Reimbursement of differential GST	4,14,626/-	4,14,626/-	GST rate on work contract was enhanced from 12% to 18% by the notification dt. 13.07.2022 and DDA itself applied 18% GST from August 2002 onwards. Ld. Arbitrator has awarded this claim on behalf of Clause 38 of the GCC which expressly provides for reimbursement of any statutory variation in tax rate during the currency of contract. The same may be accepted to avoid further litigation and interest cost.
7	Security amount	4,49,285/-	Rejected	Ld. Arbitrator has already rejected this

				claim, therefore the same may be accepted.
8	Overhead expenses borne by the claimant due to prolongation of contract	31,97,329/-	Rejected	Ld. Arbitrator has already rejected this claim, therefore the same may be accepted.
	Total	68,55,981/-	32,09,367/-	
9	Difference amount of GST on awarded amount of claims	Declaratory claim	Allowed (Declaratory) Subject to submission of prescribed invoices and documents.	Ld. Arbitrator has awarded this claim on behalf of Clause 38 of the GCC which expressly provides for reimbursement of any statutory variation in tax rate during the currency of contract. The same may be accepted to avoid further litigation and interest cost.
10	Interest @12% on total amount Rs. 68,55,981/- w.e.f. 01.09.2023 till 07.10.2024 (402 days)	9,06,117/-	Not awarded as claimed. Instead, the Arbitrator awarded simple interest @ 9% p.a. on ₹32,09,367 from the date of Award till payment, and 12% p.a. if payment is not made within 60 days from the date of the Award	Ld. Arbitrator awarded simple interest @ 9% p.a. on ₹32,09,367 from the date of Award till payment, and 12% p.a. if payment is not made within 60 days from the date of the Award. The same may be accepted to avoid further litigation and interest cost.
11	Arbitration Cost (a) Actual amount paid to the Tribunal (b) Amount paid to the counsel to conduct the case before this Hon'ble Tribunal (c) Misc. Expenses: Rs. 21,000/-	Calculated and certificate submitted at the time of final argument	Rejected	Ld. Arbitrator has already rejected this claim, therefore the same may be accepted.
	Total	77,62,098/-	32,09,367(+) Declaratory claim Interest	

Recommendation of SE/DCC-I: -

I agree with the recommendations by EE/PD-IX.

Recommendation of CE (Dwarka): -

I agree with the recommendations by EE/PD-XI and SE/DCC-I.

RECOMMENDATION OF ASB:

After duly deliberating the award, ASB is of the view that the award pronounced by the Ld. Arbitrator is well reasoned and balanced, and accordingly has recommended to accept the arbitral award dated 02.07.2026.

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, Engineer Member, DDA is the Competent Authority to accept/challenge in r/o award amount of more than Rs.25 lakhs and less than Rs.100 lakhs in consultation of CAO with due scrutiny by Arbitration Scrutiny Board headed by CE(HQ).

-Sd-
Amit Singh
Dir(Works)
Member Secretary

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

-Sd-
Manohar Lal
Addl. CLA
Member

-Sd-
Col. Deepak Suyal
CE(Dwarka)
Executive Member

-Sd-
Sanjay Kumar Khare
CE(HQ)
Chairman

Director(Works), DDA

Copy to: -

1. EM/DDA for kind information.
2. All concerned.
3. Director(System) for uploading on DDA website.
4. EE/PD-XI, DDA office, Central Nursery, Sector-5, Dwarka, New Dehi-110075.

Director(Works), DDA

Nishi
7.9.26

DD/SN Vishwas
Bansal
14/9/26

AD/SN
Sn. Dev
19/9/26
Ganesh