



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

No. EM2(3)2026/RZ/160/DDA/ 771

Dated: 07/09/2026

MINUTES OF THE 953rd MEETING OF ASB HELD ON 02.09.2026

953rd Meeting of Arbitration Scrutiny Board (ASB) under the chairmanship of FM/DDA was held on **02.09.2026** at **12.00 P.M.** in the chamber of FM, DDA to deliberate the judgement dated 06.07.2026 of Hon'ble District Court Rohini in OMP (COMM) 40/2024 in the matter of **DDA Vs Parveen Kumar Gupta** with respect to following work: -

N.O. W : C/o Community Hall in CS/OCF-5 in Sector-13, Rohini.
Agency : M/s P.K. Gupta & Co.
Agmt .No. : 04/EE/RPD-10/DDA/2017-18.

The instant case has been submitted by CE(Rohini) vide e-file computer no. 117659.

The meeting was attended by the following ASB members:

1. Shri P. Praveen Siddharth	FM, DDA	Chairman
2. Shri Anand Prakash	CE(Rohini)	Executive Member
3. Shri Sanjay Kumar Khare	CE(HQ)/DDA	Member
4. Shri Manohar Lal	Addl. CLA/DDA	Member
5. Shri Amit Singh	Dir. (Works)	Member, Secretary

Other attendees:

1. Sh. Amit Kumar, EE/RMD-II
2. Sh. Prashant Kumar, E.O.-I to EM
3. Sh. Dinesh Meena, AE/RMD-II

The case was presented by Sh. Anand Prakash, CE(Rohini).

HISTORY OF THE CASE: -

Name of work: - C/o Community Hall in CS/OCF-5 in Sector-13, Rohini
Agency: - PARVEEN KUMAR GUPTA
Agreement No.: - 04/EE/RPD-10/DDA/2017-18
Last date of receipt of tenders: - 20.02.2017
Estt. Cost: - Rs.4,69,95,907/- (Contract value: - Rs.3,56,34,760/- (24.17% below the estimated cost put to tender)
St. Date of start: - 18.05.2017
St. Date of completion: - 12.01.2018
Actual D.O.C: - 30.11.2018

The above-mentioned work was awarded to Praveen Kumar Gupta vide letter -No. F2 (3) A/Cs/RPD-10/DDA/2017-18/386 dated 08/05/2017. The work was physically completed on 30.11.2018 with a justified delay of 322 days and an EOT was granted by competent authority without levy of compensation.

Disputes have arisen between the parties with respect to unpaid bills and accordingly the agency M/s Praveen Kumar Gupta had invoked the arbitration clause 25 and appealed in Hon'ble High Court of Delhi for appointment of an Arbitrator to adjudicate the claims raised by the agency. The Hon'ble High Court of Delhi vide its Order dated 10.03.2023 had appointed Sh. Parvinder Chauhan, Advocate appointed as sole Arbitrator in the instant matter. The Sole Arbitrator had published an award amounting to Rs. 1,86,18,890/- (including Arbitration cost Rs.7,50,000/- & interest) in favor of claimant on 01.04.2024. The arbitral award dated 01.04.2024 was placed before ASB for scrutiny. Accordingly, 888th meeting of ASB was held in the matter on dated 05-07-2024. After due deliberation, the ASB had recommended to accept the Arbitral award in respect of Claim No. 1, 2, 4, 7 & 12 and to challenge the award in respect of Claim No. 3,5,6,8,9,10 & 11 shall be challenged. Accordingly, the payment of Rs. 38,65,236/- (Net amount, after made statutory recoveries) had been made to Agency on dated 26-07-2024.

The awarded amount in respect of Claim No. 3,5,6,8,9,10 & 11 were challenged in Hon'ble District Court, Rohini vide petition OMP (COMM) 40/2024. Now, the Hon'ble Court, vide its judgement dated 06.07.2026, has partly dismissed the petition of DDA, allowed to the extent of setting aside the awarding of claim under claim no. 8 and modifying the amount payable under claim no. 11.

Opinion of Panel Lawyer:

"The section 34 petition filed by Dda was partly allowed vide order dated 06-07-2026. The challenge in the DDA in respect of other claims was limited for the reason that submissions raised in section 34 were not pressed before Ld. Arbitrator through pleadings, as no Statement of Defense could be filed.

The challenge under Sec-34 of Arb. Act is very limited, keeping in view thereof the department may take its call as to whether challenge the present judgement under Section 37 of Arbitration Act. File is submitted for your kind perusal & necessary action. Please take decision accordingly."

Recommendation of Legal Department/CLA:

"It is submitted by office of CLA that the Hon'ble Court has observed "that the jurisdiction of the court under section 34 of Arbitration and Conciliation Act, 1996 to set aside the arbitral award is very limited. Arbitral award can be interfered with on very limited grounds as provided under section 34(2)(b)(ii) of the Act. No doubt an arbitral award can be set aside under section 34 of the Act only when the arbitral tribunal's views/conclusion is patently perverse and arbitrary."

The Hon'ble court has only awarded claim no.8 in favour of DDA with the findings that claim no. 8 i.e. awarding of interest has been wrongly calculated for period 1342 days whereas the interest for 1550 days @ 12% per annum had already been calculated while awarding claim no.10, and this court finds justification in the plea taken by DDA that once the Ld. Arbitrator while allowing claim no. 10 had already awarded the interest @12%.

Claim no. 11 was regard to claim of arbitration cost and fee, the arbitrator awarded the same to the tune of Rs.7,50,000/-. The Court awarded the amount of Rs.6,12,450/- which is based on document, therefore, award is modified to that extent.

The Hon'ble Court has partly dismissed petition and allowed to the extent of setting aside the awarding of claim under claim no.8 and modifying the amount payable under claim no.11.

panel Lawyer has opined that the challenge of the DDA in respect of other claims were limited for the reason that submission raised in section 34 were not pressed before the Arbitrator through pleadings, moreover, no statement of defense could be filed, therefore, the challenge under section 34 of the Act is very blink.

In view of observation of Court and opinion of P/L, I am in agreement with the views

of Panel Lawyer.

Recommendations of EE/RMD-II

I have examined the judgment dated 06.07.2026, wherein the Hon'ble Court has explained the scope and limitation of Section 34 of the Arbitration and Conciliation Act, 1996. I have also examined the findings recorded by the learned Arbitrator in the arbitral award dated 01.04.2024, particularly with reference to the facts and submissions made by both the claimant and the Department.

On careful consideration of the judgment and the arbitral award, I am of the opinion that the Department should accept the award. The principal amounts awarded under Claim Nos. 3, 5, and 6, aggregating ₹37,85,856/- against arbitral award Rs. 50,87,394/-.

Further, the award includes the following amounts:

- Claim Nos. 9 and 10: Pendente lite interest @ 12% amounting to ₹72,15,099/-
- Claim No. 11: Arbitration costs amounting to ₹6,12,450/-.
- Future interest @ 12% per annum from the date of the award published by sole Arbitrator i.e. 01-04-2024. until the expected date of payment, i.e., 05-10-2026, amounting to ₹35,05,021/- (subject to the actual date of payment).

It is evident that the interest component constitutes the major portion of the awarded amount and continues to increase with the passage of time. The Department had challenged the arbitral award under Section 34 of the Arbitration and Conciliation Act, 1996, and the matter remained pending for nearly two years before being decided by the Hon'ble Court on 06.07.2026. The Court has reiterated the limited and narrow scope of interference available under Section 34.

In view of the limited scope of judicial interference under Section 34, as explained by the Hon'ble Court in its judgment dated 06.07.2026, it is not considered advisable to pursue any further challenge against the arbitral award dated 01.04.2024. Any further litigation is likely to result in additional delay, leading to a corresponding increase in the liability towards future interest. The department has contested the case previously with Arbitration and then in Hon'ble Session Court. The interest is increasing with time.

In view of above, Ld. Panel Lawyer and CLA department should accept the Hon'ble Court opinion and may not challenge again. Accordingly, it is recommended that the Department accept the arbitral award by making payment of:

- Claim Nos. 3, 5, and 6 (Principal Amount): ₹37,85,856/- against arbitral award Rs. 50,87,394/-.
- Claim Nos. 9 and 10 (Pendente Lite Interest @ 12%): ₹72,15,099/-.
- Claim No. 11 (Arbitration Costs): ₹6,12,450/- and

Future Interest @ 12% per annum from the date of the award up to 05.10.2026 (expected date of payment), amounting to ₹35,05,021/-, subject to the actual date of payment.

Recommendation of SE/RCC-1:

Agreed with the recommendation of EE/RMD-2. Since the Hon'ble Court has also not found any grounds for interference with the award under Section 34, there appears to be no justification for further contesting the matter. Further, the Department is incurring an increasing liability towards interest with the passage of time. Hence, it is recommended that the award may be accepted to avoid any further financial burden on the Department.

Recommendation of Chief Engineer (Rohini) :

In view of above recommendations of EE/RMD-2 and SE/RCC-1, in the interest of department it is recommended to accept this award.

RECOMMENDATIONS OF ASB:

1. The impugned arbitral award dated 01.04.2024 had been challenged u/s 34 of Arbitration and Conciliation Act in the Hon'ble Court of District Judge (Commercial Court)-02, North District, Rohini Courts, Delhi vide petition No. OMP (COMM) No. 40/2024. DDA's petition has been dismissed partially and allowed to extent of setting aside the awarding of claim under claim no.8 and modifying the amount payable under claim no. 11 by the Hon'ble District Court vide its judgment dated 06.07.2026 by noting the fact that statement of defence has not been filed before the Ld. Arbitrator and that the jurisdiction of the Hon'ble court to set aside of award u/s 34 of Arbitration and Conciliation act is limited as the court does not assume any jurisdiction of appeal over the arbitral award.

ASB has considered the opinion of the Panel Lawyer, Legal Department and recommendation of Chief Engineer (Rohini) to accept the award in the interest of the department. ASB has also considered the Court's stance of limited jurisdiction of the court u/s 34 of Arbitration and Conciliation Act 1996 to set aside the arbitral award.

Accordingly, keeping in view the limited scope for appeal u/s 37 of Arbitration & Conciliation Act, future litigation cost and accruing interest, **ASB has recommended to accept the judgment dated 06.07.2026** passed by the Hon'ble Court of District Judge (Commercial Court)-02, North District, Rohini Courts, Delhi vide petition No. OMP (COMM) No. 40/2024, however, ASB has directed Chief Engineer (Rohini) to identify the officials involved who failed to file the statement of defence before the Ld. Arbitrator in the instant arbitration matter and submit the report to Chief Engineer (HQ) within 15 days for placing it before the ASB.

2. Further, ASB has also directed for issuance of a strict advisory by Chief Engineer (HQ) to zonal Chief Engineers for monitoring and reviewing the arbitration matters on regular basis ensuring proper and effective defence in ongoing arbitration matters, so that any financial loss to the department may be prevented.

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, Vice Chairman DDA is the Competent Authority to accept / challenge the claims in r/o award amount more than Rs. 100 Lakhs and less Rs. 500 Lakhs in consultation with FM/DDA, with due scrutiny by Arbitration Scrutiny Board headed by FM, DDA.

-Sd-
Amit Singh
Dir(Works)
Member Secretary

-Sd-
Manohar Lal
Addl. CLA
Member

-Sd-
Sanjay Kumar Khare
CE(HQ)
Member

-Sd-
Anand Prakash
CE(Rohini)
Executive Member

-Sd-
P. Praveen Siddharth
FM, DDA
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/RMD-II, DDA Office Complex, Madhuban Chowk, Delhi - 110085.

Director(Works), DDA