



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

No. EM2(3)2026/RZ/158/DDA/590

Dated: 2-7-26

MINUTES OF THE 941st MEETING OF ASB HELD ON 30.06.2026

941st Meeting of Arbitration Scrutiny Board (ASB) under the chairmanship of CE(HQ), DDA was held on **30.06.2026** at **03:30 P.M.** to deliberate the arbitral award dated 23.04.2026 in the matter of "**M/s Tara Chand Sumit Construction Co. vs DDA**" in respect of the following work: -

- N.O. W** : Development of 60.34 Hact. (234.07 Hact.) of land at Sector-41 (Part) in Phase-V, Rohini.
- Sub-Head** : Construction of 30.00 m R/w in Sector-41(part) & Construction of 60.0 m R/w Road (One carriageway) between Sec- 40 & 41 and Construction of S.W. brick drains along these roads in sector-40 & 41 Phase-V, Rohini.
- Agmt. No.** : 11/EE/RMD-2/DDA/2021-22.

The instant case has been submitted by CE(Rohini) vide e-file computer no. 114061.

Following members of the ASB attended the meeting as per the aforesaid date and time.

- | | | |
|---------------------------|---------------------|-------------------|
| 1. Sh. Sanjay Kumar Khare | CE (HQ), DDA | Chairman |
| 2. Sh. Anand Prakash | CE (Rohini), DDA | Executive Member |
| 3. Sh. Manohar Lal | Addl. CLA, DDA | Member |
| 4. Sh. Balmukand Tewari | Dir. (Finance), DDA | Member |
| 5. Sh. Amit Singh | Dir. (Works), DDA | Member, Secretary |

Other attendees: -

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

The case was presented by Chief Engineer (Rohini).

BRIEF HISTORY OF THE CASE: -

The details of work are as under: -

Agency	Tara Chand Sumit Construction Co.
Agreement No	11/EE/RMD-2/DDA/2021-22
Last date of receipt of tenders	07.04.2021
Estimated Cost	Rs. 15,90,97,507/-
Tendered value	Rs. 7,71,62,291/- (51.50% below the estimated cost put to tender)
Stipulated Date of start	16.07.2021
Stipulated Date of completion	11.01.2022

Actual Date of completion

24.05.2023

The above mentioned work was awarded to M/s Tara Chand Sumit Construction Co. vide award letter No. F2(26)A/C/RMD-2/DDA/2020-21/277 dt. 07/07/2021 with the stipulated date of start & completion is as 16/07/2021 & 11/01/2022 respectively. The work was physically completed at site on dated 24.05.2023 with a delay of 498 days. The E.O.T. up to 24.05.2023 for 498 days was granted by Competent Authority without levy of compensation.

Thereafter, the agency M/s Tara Chand Sumit Construction Co. invoked the arbitration clause 25 and appealed in office of EM/DDA for appointment of an Arbitrator to adjudicate the claims raised by the agency. Accordingly, Sh. Chandra Shekhar Mital (Retd) CE (Electrical), CPWD was appointed as sole Arbitrator by EM/DDA vide letter No. EM2(07)2024/Arbn/Vol-VIII/Part.221/DDA/962 dated 08.11.2024.

After completion of hearings/proceedings and consideration of the records, the Sole Arbitrator published the Arbitral Award on 23.04.2026 amounting to **Rs. 30,36,882/- in favour of claimant** (including Arbitration cost & interest and excluding GST) out of claimed amount of Rs. 22.16 crore. The arbitrator has awarded NIL amount against 03 nos. of counter claims of DDA amounting to Rs. 1,45,06,695/-

Opinion of Panel Lawyer: -

"Though all counter claims of DDA have been rejected, but the dismissal of the contractor's large-value claims means the final outcome is substantially in DDA's favour. That against total Contractor claims of about ₹22.16 crore, DDA's liability has been confined to roughly ₹30.37 lakh (₹22.84 lakh under 10CA, ₹4.92 lakh for one extra item, and ₹2.60 lakh interest), plus limited GST reimbursement on those components only of which Claimant is able to furnish proof of payment."

- **In regard to Contractor Statement of Claim:** -In my opinion the department may accept the award as even out of the awarded amount of Rs 30.37 Lakhs, the amount of ₹22.84 lakh has been admitted by DDA in SOD to be payable under 10CA.
- **In regard to Counter claim of DDA:** - The counter claims No 1 of DDA pertains to recovery of excess amount paid for which no explanation has been awarded by the Ld. Arbitrator. The calculations of the same being technical matter department may take its decision for challenging the award related to counterclaim if required.

Opinion of Legal Department:

"... Total eight claims are decided by arbitrator out of eight claims, claim no: 1,2,4 and 8 are awarded as NIL. Claim no, 3 is balance price variation clause. Arbitrator awarded Rs 22,84,285 instead of Rs.72,85,641.00, Claim no.5 regarding work done but not paid, arbitrator awarded Rs. 4,92,376 instead of 17,71,26,074 with the observation that unilateral intimation of market rates did not bind DDA. Claim no.6 is difference in GST due to increase in rate. Arbitrator observed that Limited GST reimbursement only, on those components of which claimant is able to furnish proof of payment. Claim no.7 is regarding interest pre-suit, pendente lite and future on all claims. Tribunal fixed a uniform rate of 7% simple interest and it is according to clause of agreement. DDA has filed 3 counter claims which are awarded as NIL. Means all counter claims of DDA have been rejected. The counter claim pertains to recovery of excess amount paid for which no explanation has been awarded by Arbitrator. Concerned department may take decision accordingly to challenge the counter claim. In view of above, I am in agreement with the views of Panel Lawyer that the dismissal of the contractor's large value claims means the final outcome is substantially in DDA's favour. However, concerned department may take decision accordingly. May please see for final views."

S. No.	CLAIM NO.	Brief Description of Claim/Counter claim as justified by Arbitrator	Amt. of claim (in Rs.)	Amt. of Award (in Rs.)	Comments of EE
1	2	3	4	5	8
1	1	The contractor claims a sum of Rs. 31,71,895/- on account of illegal and arbitrary recovery made by the department	31,71,895/-	NIL	Accepted
2	2	The contractor claims a sum of Rs. 1,17,91,529/- on account of balance payment under clause 10 c of the agreement.	1,17,91,529/-	NIL	Accepted
3	3	The contractor claims a sum of rs. 82,63,476/- on account of balance payment under clause 10 ca of the agreement	82,63,476/-	22,84,285	Accepted, This awarded amount on account of escalation of material under clause 10 CA and same was accepted in SOD. Hence awarded amount of this claim accepted.
4	4	The contractor claims a sum of Rs. 2,12,59,420/- on account of less payment made for work executed in foul condition and in/under water and gst thereupon @18%.	2,12,59,420/-	NIL	Accepted
5	5	The contractor claims a sum of rs. 17,71,26,074/- on account of work done but not paid, market rates for the work executed beyond the stipulate date of completion and market rates for the work executed beyond the permissible deviation limit.	17,71,26,074/-	4,92,376/-	The rates calculated by the claimant based on DSR-2018 with cost index as submitted by claimant was denied by the Respondent during arbitral proceeding. Moreover, after correction of rates which already paid at the time of payment and difference amount comes out to Rs.1,29,520.00, same was already accepted by the Respondent vide statement of Defense submitted on dated 09.05.2025. The Department strongly contested the said claim during the arbitral proceedings and filed a detailed Statement of Defence before the Sole Arbitrator. After considering the submissions of both parties, the learned Sole Arbitrator awarded an amount of Rs. 4, 92,376/- against the claim of Rs. 17,71,26,074/- referred by the claimant. The amount awarded is very less in comparison to the amount claimed. If challenged, it may further create

					substantial interest burden on DDA in future. Hence, the award under this claim may be accepted
6	6	The claimant claim gst	To be calculated	GST shall be reimbursed on award amount of claim no 3 @5.3571% and claim no 7 @18% as per set procedure on production of proof of payment.	Accepted
7	7	Claimant claims interest @ 12% p.a. on all the claims from its due date.	To be calculated	2,60,221/- (Simple interest is allowed for pre-reference, pendent-lite and post award. @ 7% P.A	Accepted
8	8.	The claimant claims the cost of proceedings.	To be calculated	NIL	Accepted
		Total	Rs. 22,16,12,394/-	Rs.30,36,882/-	
1	Counter Claim No.1	Against Claim No.2 of claimant on account of already inflation over material under Clause 10	Rs. 1,34,02,229/-	The claims has been dismissed by Ld. Arbitrator.	As per clause 10C, "If after submission of tender, if the price of any material incorporated in the work and/ or wages of labour increases as a direct result of the coming into force of any fresh ,law or statutory rule or order (but not due to any variation of rate in GST applicable on such material(s) being considered under this clause) beyond the prices/wages prevailing at the time of the last stipulated date of receipt of tenders including extensions, if any, for the work during contract period including the justified period extended under the provisions of clause 5 of the contract without any action under clause 2, then the amount of the contract shall accordingly be varied.". But during contract period there is no increase of price of any material incorporated in the work as a direct result of the coming into force of any fresh, law or statutory rule or order which claimed by Claimant under clause 10C. It is worth to mention here that already paid inflation over materials under clause 10C to the Claimant is also wrong and needs to be recovered. Hence this claim can be challenged.
2.	Counter Claim No.2	Against Claim No.4 of claimant, excess payment made on account of work	Rs. 11,04,466/-	The claim has been dismissed by Ld. Arbitrator.	It is submitted that quantities paid for foul condition is a DSR item which having unit Metre Depth. But item was paid by Respondent irrespective of depth which is

		executed in foul condition and in/under water.			erroneous. The item of foul condition is to be measured for depth from CG (center of gravity) of executed item in foul condition upto top of sub soil water table. In instant case foul condition is to be paid for depth from surface of slush as dewatering was done by Respondent. But same was paid as following: Banking excavated earth in layers.; For construction of embankment over slushy & muddy surface only, as dewatering was done by Respondent. The average depth of constructed embankment is 1.23 m, hence by considering the CG of constructed embankment i.e. 0.62 m the item of foul condition was to be paid, but same was paid with 1 m depth (unit depth) i.e. erroneous. Therefore 38% extra on account of foul positions has already been paid to Claimant. For Item P/L CC 1:5:10; The cement concrete (1:5:10) was laid over created surface by construction of embankment. Hence, no foul position/ conditions were there for execution of this item. For Item Earth work in excavation; Earth work in excavation in foundation was done for construction of SW drain over created surface by construction of embankment. Hence, no foul position/ conditions were there for execution of this item. For Item Carriage of excavated earth; For Transportation of earth, which is not payable under foul condition as its CG can't be measured. Hence this claim can be challenged
3	Counter Claim No.3	Cost of Arbitration Proceedings		The claim has been dismissed by Ld. Arbitrator.	Accepted
		Total	Rs.1,45,06,695/-	Nil	

Recommendation of SE/RCC-I:

Agreed with the recommendation of EE/RMD-2. Since, department was submitted SOD with many document and denied many document submitted by claimant during arbitral proceeding. Hence, there is strong ground to challenge counter claim of this award and accept rest amount of this award.

Recommendation of CE(Rohini):

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

RECOMMENDATION OF ASB:

1. After due deliberation of the claims, ASB has recommended the following: -
 - a) To **accept** the award against claim no.1, 2, 4 & 8, being **NIL** award.
 - b) To **accept** the award against claim no.3, 5, 6 & 7 and counter claim no.3.
 - c) To **challenge** the award against counter claim no.1 & 2.
2. With respect to counter claim no.1 & 2, ASB has observed that inadmissible payments have been made to the agency. Chief Engineer(Rohini) has been directed to examine this matter, take appropriate action and submit his report within 03 weeks.
3. Further, in order to prevent any erroneous payments, ASB has also recommended that an advisory be issued regarding observance of due diligence and strict adherence to contract clauses while making bill payments to the agencies.

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 the claims in r/o award amount more than 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), DDA
Member Secretary

-Sd-
Balmukand Tewari
Director(Finance), DDA
Member

-Sd-
Manohar Lal
Addl. CLA, DDA
Member

-Sd-
Anand Prakash
CE(Rohini), DDA
Executive Member

-Sd-
Sanjay Kumar Khare
CE(HQ), 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, 6th Floor, DDA Office Complex, Madhuban Chowk, Delhi-110085.

Zoshi
8.7.26

DD(S) Sh Vishwas
Bansal

9/7/26

Anty
02/07/2026
Director(Works), DDA