

BY DIRECTOR (SYSTEMS)-VII
DIAR 215
DATE 02.04.2026



निदेशक (प्रणाली) दि.दि.प्रा.
डायरी नं. 168
दिनांक 30/12/26

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

No. EM2(3)2026/EZ/229/DDA/281

Dated: 23-3-26

MINUTES OF THE 936th MEETING OF ASB HELD ON 20.03.2026

936th Meeting of Arbitration Scrutiny Board (ASB) under the chairmanship of CE(HQ), DDA was held **20.03.2026** at **04:00 P.M.** to deliberate the arbitral award dated 30.12.2025 in the arbitration matter of **M/s A.S. Builders vs DDA** with respect to following work:

N.O.W. : C/o Community Hall at Pocket-5, Jasola.
SH: C/o Community Hall Pocket-5, Jasola.
Agency : M/s A.S. Builders.
Agmt. No. : 62/EE/SED-1/DDA/2015-16

The case was submitted by CE(East) vide e-file computer no. 106243.

The meeting was attended by the following ASB members: -

1. Shri Sanjay Kumar Khare	CE(HQ), DDA	Chairman
2. Col. Tejpal Singh Maan	CE(East), DDA	Executive Member
3. Shri Manohar Lal	Addl. CLA/DDA	Member
4. Shri Ajay Gupta	Director(Finance)	Member
5. Shri Amit Singh	Dir. (Works)	Member, Secretary

Other attendees: -

1. Smt. Madhuri Prasad, SE/ECC-II/East Zone.
2. Sh. Vinay Kandwal, EE/EMD-VII/East Zone.
3. Sh. Prashant Kumar, E.O.-I to EM.
4. Sh. Amit Kumar, AE/EMD-VII/East Zone.

The case was presented by CE(East).

BRIEF HISTORY OF THE CASE IS AS UNDER: -

1. The Salient features of the contract are as under: -
 - a) Date of award letter: 16/01/2016
 - b) Stipulated date of start: 26/01/2016
 - c) Stipulated date of completion: 24/01/2017
 - d) Actual date of completion: 02/03/2020
 - e) Estimated cost put to tender: Rs. 3,21,76,422.00
 - f) Tendered Cost: Rs. 2,34,19,590.00
 - g) Schedule of rates applicable: DSR 2014

2. That the said tender was awarded to the Claimant vide letter no. F.16 (37)A/C/SED-1/DDA/2015-16/1839 dated 16.01.2016 for an amount of Rs. 2,34,19,590.00 (Two Crore Thirty Four Lac Nineteen Thousand Five Hundred and Ninety) and agreement bearing no. 62/EE/SED-1/DDA/2015-16 was executed between DDA and the claimant i.e. M/s A.S. Builder on dated 27.01.2016. The stipulated date of commencement of the said work was 26.01.2016 and the stipulated date of completion was 24.01.2017.
3. On request of the claimant i.e. M/s A.S. Builders, EM/DDA vide letter no. EM2(7)2024/Arbn./Vol.VIII/Pt.214/DDA/578 dated 18.07.2024 has appointed a Panel of following 3 Arbitrators to decide and make award regarding the claims/disputes referred to the AT:-
 - i. Sh. Ranjit Singh, SE (Retd.), SDG, CPWD, Presiding Arbitrator.
 - ii. Dr. Om Prakash Tripathi, SDG(Retd.), CPWD, Member Arbitrator.
 - iii. Sh. Chandra Shekher Mittal, (Retd.), Chief Engineer(Electrical), CPWD, Member Arbitrator.
4. The Ld. Arbitration Tribunal published the award on dt: 30.12.2025 amounting to Rs. 28,73,773/- in favour of the claimant against its 12 nos. of claims amounting to Rs. 1,48,29,629/-. The Ld. Arbitral Tribunal has also rejected 02 nos. of counter claims of DDA.

Opinion of Panel Lawyer: -

The claim wise opinion of panel lawyer has been provided in the table below.

Opinion of Legal Cell/ CLA, DDA: -

"In this matter Arbitrator Tribunal has awarded a sum of Rs. 28,73,773/- in favour of claimant but some of the claims are accepted by the department and decided not to challenge. Claim no. 6,7,9 and 10 are recommended to be challenged and total amount cumulatively for claims opined to be challenged is of Rs. 10,77,614/-.

In this matter an Arbitrator allowed claim no.1,2,6,7,9 and 10 in favor of claimant.

On limitation period tribunal has observed that claim was within limitation. The Supreme Court had already excluded the period of covid-19, claim is within time hence, need not to challenge.

*In **claim no.1** the entire claim amount of bill is separated in four parts, and same was accepted by DDA, so **need not to challenge**.*

***Claim no. 2:** The claim no.2 has been defined in three parts i.e. A, B and C, wherein contractor claims a sum of Rs. 26,48,536/- on the account of increase in rates of men and material under clause 10C, 10CA and 10CC of the agreement, as damages/compensation.*

Part 'A' is regarding escalation under 10C for final bill and Tribunal has awarded Rs. 21,538/- to claimant. After examination of claim by department it is found that the calculation is correct as per record available in the office, therefore, challenge is not recommended.

Part 'B' is regarding escalation due to increase in cost of cement and steel as per clause 10CA of the agreement. In this claim tribunal has accepted the contention of DDA, and rejected the claim of claimant with the observation of that the escalation due to increase in rates of cement and steel is not tenable. Hence, challenge is not recommended.

Part 'C' is escalation due to increase in cost of other materials as per 10CC of the agreement. In this claim tribunal has already accepted the contention of DDA and rejected the claim of claimant with the observation that the claim for escalation due to increase in rates of other materials is not tenable.

The status of claim no.2 is that the Tribunal accepted the contention of respondent and rejected the claims of claimant. Therefore, **claim no 2 is need not to challenge.**

In **claim no.3,4 and 5** Tribunal has already accepted the contention of DDA and rejected the claim, the same is **need not to challenge.**

Claim no.6 and 7 was on account of refund of security and withheld on account of defects. Ld. AT ignored the clause where there is a clear mention of period of 10 years for rectification of seepage and thus, the security deposit could have been retained. Thus, it is **advised to challenge the award.**

Claim no.8 of claimant has been rejected. The same **need not to be challenged.**

Claim no.9 and 10 is on account of fees and expenses to be paid to the arbitrator, **this should be challenged** as, no costs towards litigation charges have been awarded.

Claim no.11 is regarding interest and the same is **need not to be challenged** as, tribunal has already rejected the claim of claimant.

Claim no. 12 is declaration of GST. AT has direct the claimant to produce the actual proof of payment. There is no error in the said award and **need not be challenged.**

In view of Panel Lawyer observation and recommendation of concerned division, some of claims should be challenged, however, substantial amount of the claims of the claimant have been rejected.”

Recommendations of EE/EMD-VII:

The claim wise recommendations of EE/EMD-VII have been provided in the table below.

Claim No.	Claim	Amount of Claim (in Rs.)	Awarded Amount (in Rs.)	Opinion of P/L	Recommendations of EE/EMD-VII
	Limitation Period			The completion certificate was issued by the EE on 02.03.2020, thus, the limitation of 3 years would start from the said date only. Considering the fact that the Hon'ble Supreme Court had excluded the period from 23.03.2020 to 28.02.2022, thus, the said period would be added from 01.03.2023. The claim is thus, within limitation and no challenge can be made to the said observation.	This office agrees with the comment of Panel Lawyer. Challenging this factual observation by Panel Lawyer would be legally untenable. Therefore challenge is not recommended.
Claim 1	Contractor claims a sum of Rs. 33,13,113/- on account of the payment due and payable to it under the Final Bill, prepared by the contractor/claimant on 29.01.2022, including annually compoundable interest @ 7.50% till 26.06.2024.				
	1. Items where C-1 and C-11 are same and also accepted by DDA in its Final Bill dt: 04.09.2024	1,64,123	1,64,123	Since the said amount was accepted by DDA, the same cannot be challenged.	This office agrees with the opinion of the Panel Lawyer. Therefore challenge is not recommended.
	2. Current Quantity executed in 12 th and final bill and rates are as printed on Exb. C-1.	8,81,177	Nil	Since the Ld. AT has already accepted our contention and rejected the claim, the same need not be challenged.	This office agrees with the opinion of the Panel Lawyer. Therefore challenge is not recommended.
	3. Claim pertaining to rate deviation for quantities which have been executed in 12 th final bill.	1,22,907	Nil	Since the Ld. AT has already accepted our contention and rejected the claim, the same need not be challenged.	This office agrees with the opinion of the Panel Lawyer. Therefore challenge is not recommended.
	4. Claim pertaining to rate deviation for quantities which have been executed up to 11 th RA bill	16,11,861	16,10,498	The Ld. AT has given the award on the technical calculation and the concerned EE/AE is requested to check the calculation and if found not tenable, then same may be challenged. Moreover, the Ld. AT has accepted our contention that	The calculation done by the Arbitration Tribunal is correct as per the record available in this office. Moreover, the Arbitration Tribunal has accepted our contention that no interest is payable to the claimant.

				no interest is payable to the claimant, the same also need not be challenged.	Therefore challenge is not recommended.
	Sub Total:	27,80,068	17,74,621		
	Interest from bill submission date to 26.06.2024	5,33,044.40	Nil		
	Total:	33,13,113	17,74,621		
Claim 2	Contractor claims a sum of Rs. 26,48,536/- on account of increase in rates of men and material under Clause 10C, 10CA and 10CC of the Agreement, as damages/compensation.	26,48,536	21,538		
	a. Escalation under 10C.	2,99,692	21,538	The Ld. EE/ AE may check the technical calculation on the basis of which the Ld. AT has granted the award.	The calculation done by the Arbitration Tribunal is correct as per the record available in this office. Moreover the Arbitration Tribunal has accepted our contention that no interest is payable to the claimant. Therefore challenge is not recommended.
	b. Escalation due to increase in cost of cement and steel as per clause 10CA of agreement.	15,06,455	Nil	Since the Ld. AT has already accepted our contention and rejected the claim, the same need not be challenged.	This office agrees with the opinion of the Panel Lawyer. Therefore challenge is not recommended.
	c. Escalation due to increase in cost of other materials as per clause 10CC of agreement.	8,42,389	Nil	Since the Ld. AT has already accepted our contention and rejected the claim, the same need not be challenged.	This office agrees with the opinion of the Panel Lawyer. Therefore challenge is not recommended.
Claim 3	Contractor claims Loss of profit @ 10% amounting to Rs. 15,63,415/- during the stipulated period for work less executed due to prolongation of contract on the part of the Respondent as compensation/damages.	15,63,415	Nil	Since the Ld. AT has already accepted our contention and rejected the claim, the same need not be challenged.	This office agrees with the opinion of the Panel Lawyer. Therefore challenge is not recommended.
Claim 4	Contractor claims a sum of Rs. 11,70,980/- on account of losses and damages @ 5% of the tender value for the expenditure incurred	11,70,980	Nil	Since the Ld. AT has already accepted our contention and rejected the claim, the same need not be challenged.	This office agrees with the opinion of the Panel Lawyer. Therefore challenge is not recommended.

	during extended period towards workers and labour as per Clause 19G of the Agreement.				
Claim 5	Claimant Claims a sum of Rs. 36,31,637/- on account of overhead and damages and compensation incurred during extended period towards different type of establishment along with Engineers and Supervisory Staff.	36,31,637	Nil	Since the Ld. AT has already accepted our contention and rejected the claim, the same need not be challenged.	This office agrees with the opinion of the Panel Lawyer. Therefore challenge is not recommended.
Claim 6	The Claimant/Contractor claims a sum of Rs. 5,85,490/- on account of refund of Security Deposit.	5,85,490	5,85,490	The Ld. AT has observed the defects pointed out in the completion certificate were very minor and that no letter for rectification of defect was issued during the period Defect Liability Period. However, the seepage in the underground tank has clearly been ignored by the Ld. AT and also ignored the clause where there is a clear mention of period of 10 years for rectification of seepage and thus, the security deposit could have been retained. Thus, it is advised to challenge the award under the claim no. 6 and 7.	This office agrees with the opinion of the Panel Lawyer. Hence, it is recommended to challenge the award under claim no. 6 & 7.
Claim 7	The Claimant/Contractor claims a sum of Rs. 1.00 lacs recovered and withheld by the Respondent on account of defects.	1,00,000	1,00,000	The Ld. AT has observed the defects pointed out in the completion certificate were very minor and that no letter for rectification of defect was issued during the period Defect Liability Period. However, the seepage in the underground tank has clearly been ignored by the Ld. AT and also ignored the clause where there is a clear mention of period of 10 years for rectification of seepage and thus, the security deposit could have been retained. Thus, it	This office agrees with the opinion of the Panel Lawyer. Hence it is recommended to challenge the award under claim no. 6 & 7.

				is advised to challenge the award under the claim no. 6 and 7.	
Claim 8	Contractor claims a sum of Rs. 8,16,457/- as 3% difference of GST and VAT on Amount of Composite Final Bill as per Clause 38 of Agreement.	8,16,457	Nil	Since the Ld. AT has already accepted our contention and rejected the claim, the same need not be challenged.	This office agrees with the opinion of the Panel Lawyer. Therefore challenge is not recommended.
Claim 9& 10	Contractor claims a sum of Rs. 5,00,000/- on account of fees and expenses to be paid to the Arbitrator from the date of invocation of arbitration till award Rs. 5,00,000/- Contractor claims a sum of Rs. 5,00,000/- on account of cost of proceedings, for invocation of Clause-25 and arbitration cost, fee & expenses to be paid to the advocates/ consultants Rs. 5,00,000/-	5,00,000	3,92,124	Claim of Rs. 5 lakhs each on account litigation costs and Arbitration Costs. The Ld. AT has granted Rs. 3,92,124/- on account arbitration costs, however, no costs towards litigation costs have been awarded. Comment: The Ld. AT has granted the costs observing that some of the claims were genuine, however, since the awarded are advised to be challenged and also considering the fact that most of the claims have been rejected, the arbitration costs should also be challenged.	This office agrees with the opinion of the Panel Lawyer. Hence it is recommended that the award should be challenged.
Claim 11	Contractor claims interest on pursuit, pendentlite & future @ 12% p.a. on all the above claims. As per agreement Clause-10B(II), the respondent charge 10% interest on all advance payments and 10% p.a. interest shall be charged by the Government as per Clause-7 as we are contractor/businessman we are entitled for 12% interest from date of payment due till date of payment for all three periods.	@12%	Rs. Nil No post award interet till 90 days from the date of award. Simple Interest @ 9% in case payment of awarded amount is not done within 90 days.	Since the Ld. AT has already accepted our contention and rejected the claim, the same need not be challenged.	This office agrees with the opinion of the Panel Lawyer. Therefore challenge is not recommended.
Claim 12	Contractor claims 18% GST or as applicable at the time of payment of award on the amount awarded by the Arbitral Tribunal as per calculation of GST on amount awarded.	18%	Since payment of GST is statutory requirement hence GST shall be	The Ld. AT has directed the claimant to produce the actual proof payment made and on submission of necessary documents, the reimbursement of GST to be made. There is no error	This office agrees with the opinion of the Panel Lawyer. Therefore challenge is not recommended.

			reimbursed to the claimant subject to producing necessary proof of actual payment.	in the said award and need not be challenged.	
Counter Claim No. 1	Claim towards to the loss of revenue due to nonfunctional of the community hall.	54,63,900	Rs. Nil	The DDA had granted the extension of time without levy of compensation and also no record was produced to show that any such loss of booking was suffered by DDA. It was already advised prior to filing of the counter claim that the same is not maintainable as the EOT was granted without levy of compensation. Thus, no error is found in the award and the same need not be challenged.	This office agrees with the opinion of the Panel Lawyer. Therefore challenge is not recommended.
Counter Claim No. 2	Arbitration cost	5,00,000	Rs. Nil	The same has already been advised in previous Para.	This office agrees with the opinion of the Panel Lawyer. Therefore challenge is not recommended.

Recommendations of Office of SE/ECC-2/EZ/DDA: -

In view note of the EE/EMD-7 this office agrees with the recommendation and further forwarded and recommended the case to the Chief Engineer (East Zone) for final view/opinion and subsequent processing for the Arbitration Scrutiny Board (ASB).

Recommendation of CE/EZ/DDA:

The para-wise comments of EMD-7, the legal opinion of the Panel Counsel, the opinion of the DDA Legal Wing, and the recommendations of SE/ECC-II have been examined. The financial calculations have been vetted by the Accounts Branch (EMD-7) and CAU/EZ. Based on the above, the Chief Engineer (East Zone) is of the considered opinion that sufficient grounds exist to challenge the Award in part, as recommended by the EE/ EMD 7 and SE/ECC-II.

RECOMMENDATION OF ASB:

1. At the outset, ASB has expressed serious concern on the fact that the instant case has been submitted at the eleventh hour before ASB for scrutiny, despite clear SOP for dealing with timelines and procedure of placing the arbitration cases before ASB.
2. The ASB has recommended accept the award against claim no. 1 (sub-claim:1 & sub-claim:4) & claim no. 2 (part A), said claims as the said claims have already been accepted by DDA and no interest against these amounts has been awarded by the Ld. AT.
3. The ASB has recommended **to accept** the award against claim no. 1 (sub-claim:2 & sub-claim:3), claim no. 2 (part B & part C) 3,4,5,8,11 being **Nil** award.
4. With respect to claim no.6 & 7 pertaining to refund of security deposit and release of withheld amount; the Panel lawyer, legal wing and Chief Engineer(East) have recommended to challenge the award against these claims as the defects have yet not been rectified by the agency. However, the concerned EE i.e. EE/EMD-VII during the deliberations informed that no recovery from security deposit was effected for rectification of defects. ASB, considering this fact and also that no interest has been awarded by the Ld. AT, has recommended **to accept** the award against claims no.6,7,9 & 10, keeping in view the narrow grounds available u/s 34 of Arbitration & Conciliation Act to challenge the award, future litigation cost and interest that may accrue in future.
5. ASB has also recommended **to accept** the award against claim no.12 pertaining to GST, being declaratory in nature.

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)
Member Secretary

-Sd-
Ajay Gupta
Director(Finance)
Member

-Sd-
Manohar Lal
Addl. CLA
Member

-Sd-
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CE(EZ)/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.
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3/4/26

Director(Works), DDA

8.7.26
St. Manish, SSA