

**HIGH COURT OF JAMMU & KASHMIR AND LADAKH
AT JAMMU**

Case:- AA No.14/2013
IA No.99001/2023 (D-14/2013)

U.O.I.

.....Petitioner(s)

Through: Mr. Vishal Sharma, DSGI

Vs

M/s Gurdip Singh Engineer & Contractor

.....Respondent(s)

Through: Mr. R.K. Jain, Sr. Advocate with
Ms. Kritika Jain, Advocate

Coram: HON'BLE MR. JUSTICE RAHUL BHARTI, JUDGE

ORDER
(19.01.2026)

1. Through the medium of present writ petition, the petitioner-Union of India, acting through Garrison Engineer, Samba is aiming to assail an arbitral award dated **18.01.2013** passed by the arbitral tribunal of Sole Arbitrator-Sh. Baljit Singh, Chief Engineer (QS&C).
2. The present petition is, thus, under section 34 of the J&K Arbitration and Conciliation Act, 1997. The appointment of the arbitrator had taken place by the indulgence of this Court in terms of an order dated **22.10.2010** passed in **AA No.15/2010**.
3. In terms of the impugned award dated **18.01.2013**, the learned arbitral tribunal came to carry out adjudication of the following claims of the respondent borne out of the

contract work of “**Augmentation of Water Supply at Samba**” under Contract Agreement **No.CEPZ-15 of 2006-07**.

4. The respondents registered the following Statement of Claims (SOCs):-

(i) **Claim No.1:**

Payment of work done not paid.

Amount of claim Rs.18,66,413.00 (Final Bill).

Revised amount of claim Rs.17,39,174.90 (Final Bill).

(ii) **Claim No.2:**

Payment of material lying at site not paid and confiscated by the Department.

Amount of claim Rs.4,69,229.00.

Revised amount of claim: Rs.2,58,712.00

(iii) **Claim No.3A:**

Payment of loss suffered due to delay in making payment of RARs (Running Account Receipts).

Amount of claim Rs.20,533.00.

(iv) **Claim No.3:**

Payment of damage suffered in loss of profit and profitability on the balance amount of contract as the respondents prevented the claimant to perform his part of the contract due to their act of omission and commission.

Amount of claim Rs.4,83,531,40.

(v) **Claim No.4:**

Payment of damage suffered due to idleness of T&P, machinery, equipment during the original period/extended period and also beyond the extended period upto 16 July 2009.

Amount of claim Rs. 3,48,160.00.

(vi) Claim No.5:

**Payment of damage suffered due to idleness of labour (skilled and unskilled), supervisors, engineer and head office staff:
Amount of claim Rs. 10. 90.998.00**

(vii) Claim No.6:

Payment of damage suffered due to non-payment of 10th RAR by the respondents. Loss of turnover amount and profit on turnover amount or compensation @ 18% per annum or @ PLT of interest as per RBI norms.

Amount of claim: Rs. 7,35,723.23

(viii) Claim No.7:

Payment of damage suffered due to business, social reputation and esteem respect of the claimant, degradation of market credibility, caused humiliation, mental torture, harassment, financial hardship, inconvenience besides deterioration of health on account of stress and strain sustained due to the act of omission and commission of the respondents.

Amount of claim Rs. 10,00,000.00

(ix) Claim No.8:

Interest @ 18% per annum ante-lite, pendentelite and future on the amounts become due from the respondents till the payments are finally made.

(x) Claim No.9:

Payment of arbitration legal expense, advocate's fee and fees of technical engineer expert, arbitration consultant and pleading assistant engaged by the claimant, miscellaneous expenses related with the present arbitration case and self participation.

Amount of claim Rs. 2,15,000.00.

5. On the other hand, the petitioner came forward with its Statement of Claims (SOCs) which are as under:-

(i) Claim No.1:**Compensation for delay in completion of work.****Amount of claim- Rs.5,11,998.00****(ii) Claim No.2:****Cost of Reference to Arbitration : Rs.50,000.00**

6. In response to the petitioner's claim, the respondent came forward with counter-claim to the following effect:-

(a) Counter Claim No 1-A(I) :

Loss suffered due to non-payment of extra work done against schedule-"A" Part-X, Srl item No-1, excavation in trenches for pipe line. Work measured and recorded in MB. Later on due to change of alignment, the work done deleted from MB after getting the signature of the claimant contractor. The cutting in MB not authenticated with signatures of the officer deleting the item in MB.

**(472.50cum x Rs.70.91) + (CP 39.9996%)
Amount of claim : Rs 46,906.83.**

(b) Counter Claim No.1-A(II):

**Loss suffered due to non-payment of work done in respect of Srl item No-7 of Schedule-"A" Part-XIII, pea size gravel, material brought at site, measured and recorded in MB at M.H. Area site under phase-I (a) (45m3 x Rs 9000/-)
Amount of claim : Rs 40,500.00.**

7. The Arbitral Tribunal came up with a verdict with respect to the claims of the respondent in the following manner:-

(i) Claim No.1- Allowed only to an amount of Rs.16,53,261.30

(ii) Claim No.2- Nil.

(iii) Claim No.3A- Nil.

(iv) Claim No.3- Nil.

(v) Claim No.4- Nil.

(vi) Claim No.5- Nil.

(vii) Claim No.6- Nil.

(viii) Claim No.7- Nil.

(ix) Claim No.8- was partly sustained by awarding the interest in the following manner:

(a) Past and Pendente Lite:- Interest shall be paid @ 12% (Twelve percent) per annum simple interest on the amounts awarded against various claims (except on claim No-9) with effect from 15 Oct 2009 till the date of my award.

(b) Future Interest:- I allow 90 (Ninety) days to the respondents UOI from date of my award for payment to the claimants in terms of my award and during this period of 90 days no future interest shall be payable. However, in case of failure to make payment of award amount within 90 days, future interest @ 12% (twelve percent) per annum simple interest shall be paid on the award amount from the next day of the date of my award till the date of actual payment.

(x) Claim No.9- was partly allowed for an amount of Rs.73,000/- only.

8. So far as the claims made by the petitioner are concerned, the same were all also negated along with the counter-claims of the respondent which also stood negated.

9. Thus, in essence, it is only against the findings of the arbitral tribunal about the **Claim No.1** awarding an amount of **Rs. 16,53,261.30** along with interest awarded thereupon that the petitioner is assailing the award.
10. The learned arbitrator has given the reasons on what basis **claim No.1** of the respondent was sustained for an amount of **Rs. 16,53,261.30**.
11. This Court finds no illegality in the reasoning of the Arbitrator and, as such, does not find any good ground made out for interference in the impugned award and, accordingly, dismisses the present petition. However, post award rate of interest @**12% p.a.** is to be applicable only with respect to amount of **Rs.16,53,261.30** without including the pre-award rate of interest amount awarded.
12. **Dismissed.**
13. The detailed order is following the order dated **12.07.2024** vide which the petition was ordered to be dismissed as is hereby being done.

(RAHUL BHARTI)
JUDGE

JAMMU
19.01.2026
Sneha