

IN THE SUPREME COURT OF INDIA

CIVIL APPELLATE JURISDICTION

CIVIL APPEAL NO. 2193 OF 2009

UNION OF INDIA .. APPELLANT(S)

VERSUS

M/S. KANHAYALAL & CO. & ANR. .. RESPONDENT(S)

O R D E R

1. Appellant-Union of India had awarded a contract to respondent No.1 (herein)/Contractor. Some disputes arose. Since there was an arbitration clause in the contract signed between the parties, Arbitrator was appointed by the designated authority of the appellant and claims of the respondent/contractor were referred to him.

2. Arbitrator rendered his award dated 18.09.1995. Since these arbitration proceedings were conducted under the Arbitration Act, 1940, award was filed in the Court, notice whereof was sent to both the parties. Certain claims were

2 awarded in favour of respondent No.1/Contractor. The appellant filed his objections under Sections 30 and 33 of the Arbitration Act, 1940. Those objections were rejected and the award was made rule of the Court by the Trial Court.

3. The appellant challenged the order of the Trial Court by filing appeal, which has also been dismissed by the High Court by the impugned judgment.

4. In the instant appeal, challenging the order of the High Court, main grievance of the Union of India pertains to two claims awarded by the Arbitrator. These are claim Nos. 8 and 17. Claim No. 8 was for reimbursement of loss incurred due to increase in overhead charges on account of prolongation of contract. In this claim the respondent contractor had demanded a sum of Rs.66,04,850/-. However, as against this claim, learned Arbitrator awarded a sum of Rs. 6,45,000/- only.

3 5. Likewise, Claim No. 17 was for compensation on account of restrictions imposed on security measures and increase in distance of labour camp from site. In this head, the respondent contractor had claimed a sum of Rs. 9,00,000/- against which Rs. 6,75,000/- was awarded.

6. Having regard to the meagreness of the amounts involved, we are not inclined to go into the merits of the claim.

7. The appeal is accordingly dismissed, leaving the questions of law open.

.....J .
[A.K. SIKRI]
.....J .
[S.A. BOBDE]

.....J.

