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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**

+ **LPA 73/2015, CM APPL.2630/2015, 2633/2015**

M/S STEEL AUTHORITY OF INDIA LTD Appellant

versus

M/S ENGINEERING PROJECT INDIA LIMITED Respondent

LPA 98/2015, CM APPL.3145-3146/2015

M/S STEEL AUTHORITY OF INDIA LTD Appellant

versus

ENGINEERING PROJECTS (INDIA) LTD Respondent

Appearance: Mr. Sandeep Sethi, Sr. Advocate with Ms. Sangeeta Bharti, Mr. Sushil K. Singh and Mr. Ashish Kumar, Advocates for appellants in LPA 73/2015.

Mr. Yashraj Singh Deora with Ms. Sanjaya Saddy, Advocates for appellants in LPA 98/2015.

Mr. J.P. Sengh, Sr. Advocate with Mr. M.K. Das, Ms. Geeta Das and Ms. Manisha Mehta, Advocates for respondents in both matters.

CORAM:

HON'BLE MR. JUSTICE S. RAVINDRA BHAT

HON'BLE MR. JUSTICE SANJEEV SACHDEVA

ORDER

03.11.2017

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1. The appellant's grievance in these proceedings is that Award of the Permanent Machinery in Arbitration which was appealed against is unenforceable on more than one count. It is submitted that the mechanism envision a two tier dispute resolution process which is not permissible in Indian Law. It is contended that the issue of enforceability of the Awards has been settled by the Supreme Court in

Northern Coalfields Ltd. v. Heavy Engineering Corporation Ltd.,
(2016) 8 SCC 685.

2. Counsel for the respondents, on the other hand, points out that subsequent development in the form of instructions of Office Memorandum issued on 07.08.2014 enable the aggrieved party to appeal to the Cabinet Secretary whose decision can be reviewed by the Prime Minister's office.

3. Having regard to the judgment in *Northern Coalfields* (supra), the parties are clearly governed by that ruling. The Award of the PMA - as endorsed by the appellate authority is, therefore, unenforceable. Of course, this in no way prejudices the right of either party to seek redress in terms of OM dated 07.08.2014.

4. As far as the unenforceability of Awards on the ground of process involving two tier adjudication goes, the appellant's contentions are no longer valid.

5. The Court is of the view that there is no merit in this argument on account of three Judges Bench ruling in *M/s. Centrotrade Minerals & Metal Inc. v. Hindustan Copper Ltd.*, 2017 (2) SCC 228.

6. The appeals are disposed of in the above terms.

S. RAVINDRA BHAT, J

SANJEEV SACHDEVA, J

NOVEMBER 03, 2017

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