

**IN THE HIGH COURT OF PUNJAB AND HARYANA
AT CHANDIGARH**

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FAO No.2664 of 2017 (O&M)

Date of Decision : 12.03.2018

Punjab State through Chief Engineer (PSRSP),
Punjab, PWD B&R Br. SCF No.61-61, Phase-2,
Mohali and another

..... Appellants

Versus

C&C Constructions Limited and others

..... Respondents

CORAM : HON'BLE MR.JUSTICE AJAY TEWARI

Present: Mr. Ajay Pal Singh Gill, DAG, Punjab
for the appellants.

Mr. Sudhanshu Makkar, Advocate
Mr. Deepal Hoda, Advocate
for respondent No.1.

AJAY TEWARI, J. (Oral)

This appeal has been filed against the judgment dated 17.11.2016 passed by the District Judge, Kapurthala rejecting an application under Section 34 read with Section 31 (3) and 28 (1) of the Arbitration and Conciliation Act, 1996 moved by the appellants-State of Punjab.

The respondent No.1 had contracted for construction of a road. Among other things it was the duty of respondent No.1 to set up a Field Laboratory so that the material which was being used could be tested under the supervision of the Engineers of the appellants-State of Punjab. The Field Laboratory was duly set up and after the contract was completed admittedly the equipment used in the Field Laboratory was retained by the

officers of the State of Punjab. Two of the disputes between the parties related to the cost of the laboratory equipment retained by the State of Punjab and the cost of maintenance and power supply etc. to the laboratory during the period of the contract. The case of the appellants-State of Punjab before the arbitrator and before the Court below and as well as in this Court is that the appellants-State of Punjab was entitled to retain the equipment of the laboratory and further the respondent No.1 was liable to incur the entire cost of maintenance and power etc. of the laboratory during the period of the contract. The arbitrator having ruled in favour of respondent No.1, the objections having been dismissed the appellants-State of Punjab is before this Court.

The arbitrator held that as regards the provision of the Field Laboratory, as per the contract if the appellants-State of Punjab had paid for the same it would retain the ownership of all the equipment etc. and since in the present case the laboratory had been provided by respondent No.1 and the appellants-State of Punjab had retained the equipment the respondent No.1 would be entitled to the cost thereof, holding that the appellants-State of Punjab could not expect to retain the equipment which was installed by respondent No.1 free of cost. As regards the claim for maintenance, the arbitrator found that as per the contract it was provided as an item in the bill of quantities and therefore, respondent No.1 was entitled to charge for the same. The Court below also went through the clauses of the contract and came to the conclusion that the arbitrator had given correct findings on both these issues.

Having been taken through the relevant provisions of the contract i.e. 901.1 to 901.8 of technical specification and sub Clause 121.1 and 121.4 of contract/agreement, I have not been able to convince myself that the findings of the arbitrator or the Court below are incorrect in any manner.

Consequently, the appeal is dismissed.

Since the main case has been decided, the pending civil miscellaneous application, if any, also stands disposed of.

(AJAY TEWARI)
JUDGE

12.03.2018

Pooja sharma-I

Whether speaking/reasoned - Yes/No

Whether reportable - Yes/No