



WEB COPY

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 10.02.2021

C O R A M

THE HONOURABLE Ms. JUSTICE P.T. ASHA

C.M.A.No.785 of 2016
and C.M.P.No.6399 of 2016

Union of India
rep. by Chief Engineer (R&D) Picket,
Secunderabad - 500 651. ... Respondent/1st respondent/
Appellant

-V-

1. M/s.VCC Enterprises,
Chalam Niwas,
No.19, I Main Road,
Krishnapuram,
Thiruninravur,
Chennai - 602 024.
2. Brig.A.K. Wahi,
P.S. To D.D.G.W.(PPC & Estt.),
Sole Arbitrator,
Office of the Engineer-in-Chief's Branch,
IHQ of MOD (Army),
Kashmir House,
New Delhi - 110 011. ... Sole Arbitrator/2nd respondent/
2nd respondent

Prayer: Appeal filed under Section 37 of the Arbitration and Conciliation Act, 1996 against the fair and decreetal order dated 07.09.2015 passed in Arb.O.P.No.82 of 2012 on the file of the learned Principal District Judge, Thiruvallur, reversing the Award dated 30.11.2011 passed in Contract Agreement No.CERD/AVD/17 of 2005-06 by the Sole Arbitrator Brig. A.K. Wahi.

For Appellant : Ms.Jayachithra
for Mr.Venkataswamy Babu

For Respondents : Mr.T.V.Lakshmanan for R1

Not ready in notice - R2



JUDGMENT

This Appeal under Section 37 of the Arbitration and Conciliation Act, has been filed by Union of India represented by the Chief Engineer (R&D) Picket, challenging the order passed by the learned Principal District Judge, Thiruvallur, setting aside an Award passed in Ar.O.P.No.82 of 2012 by the 2nd respondent herein.

2.The respondent has raised a claim against the appellant herein with reference to disputes that had arisen between the two in respect of a Contract for putting up Accommodation for Technical Information Resources Centre at CVRDE, Avadi. The Work Order was placed on 10.10.2005 by the appellant and the time for completion was nine months commencing from 25.10.2005. Thereafter, the date of commencement was revised retrospectively till 29.03.2006 and the date of completion was fixed as 28.12.2006. However, it has been periodically extended and ultimately, the site was handed over on 20.07.2009. By reason of the delay, the respondent had come forward with a claim of Rs.3.85Crores under various heads and the respondent made a counter claim towards cost of references and defective works.

3.The 2nd respondent sole Arbitrator ultimately clubbed all the claims, passed an Award dated 30.11.2011 and gave a consolidated sum of Rs.1,60,000/-. The Arbitrator did not follow any formula for arriving at the said figure and give any reason for the same. Therefore, the respondent has filed an application for setting aside the Award under Section 34 of the Act by filing Ar.O.P.No.82 of 2012 before the learned Principal District Judge, Thiruvallur.

4.The learned Principal District Judge by his order dated 07.09.2015 has allowed the petition and set aside the Award. The learned Judge has observed that the conclusion of the Arbitrator did not reflect the reasons upon which the Arbitrator has arrived at the said conclusion. The learned Judge had also left open to the parties to agitate their claim before the Arbitrator. It is challenging this order, the appellant is before this Court.

5.The learned counsel for the appellant vehemently argued that the Arbitrator has gone into great details with reference to each of the claim that had been raised by the appellant and therefore, it cannot be said that the Award lacked reasoning. However, a perusal of the Award would show that the 2nd respondent Arbitrator had not given any reason for arriving at a sum of Rs.1,60,000/-. The Award does not reflect the basis on which the learned Arbitrator has arrived at the above Award.



The order being a non speaking one is vitiated by patent illegality and I therefore do not find any reason to interfere with the order passed by the learned Principal District Judge, Thiruvallur in Arb.O.P.No.82 of 2012 and this Civil Miscellaneous Appeal stands dismissed.

Sd/-
Assistant Registrar(CCC)

//True Copy//

Sub Assistant Registrar

mps

To

The Principal District Judge,
Thiruvallur.

Copy To

The Section Officer
VR Section,
High Court, Madras.

+1cc to Mr.Venkatasamy Babu, Advocate, S.R.No.7611

C.M.A.No.785 of 2016
and C.M.P.No.6399 of 2016

MPS (CO)
PM(29/07/2021)