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

+ **O.M.P. (COMM) 525/2023 & I.A. 25576/2023**

NTPC LTD (NABINAGAR)

.....Petitioner

Through: Mr. Adarsh Tripathi, Mr. Vikram
Singh Baid and Mr. Ajitesh Garg,
Advocates

versus

G.E. POWER SYSTEMS INDIA PRIVATE LIMITED

.....Respondent

Through: Mr. Ajay Bhargava, Mr. Arvind
Kumar Ray & Ms Divya Yadav
Advocates

+ **OMP (ENF.) (COMM.) 11/2024**

G E POWER SYSTEMS INDIA PRIVATE LIMITED

.....Decree Holder

Through: Mr. Ajay Bhargava, Mr. Arvind
Kumar Ray & Ms Divya Yadav
Advocates

versus

**NABINAGAR POWER GENERATING COMPANY PRIVATE
LIMITED NOW NTPC LIMITED**

.....Judgement Debtor

Through: Mr. Adarsh Tripathi, Mr. Vikram
Singh Baid and Mr. Ajitesh Garg,
Advocates

CORAM:

HON'BLE MR. JUSTICE SUBRAMONIUM PRASAD

ORDER

05.11.2024

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1. It is stated by learned Counsel for the Petitioner in O.M.P. (COMM) 525/2023 that the matter stands settled between the parties. He has handed over a copy of the settlement agreement entered into between the parties. The same is reproduced as under:-

“SETTLEMENT AGREEMENT BETWEEN NPGCL AND GEPSIPL UNDER SECTION 73(2) OF ARBITRATION AND CONCILIATION ACT, 1996.

This agreement is entered into this date 04-11-2024 (Settlement Agreement) between M/s NTPC Limited, a company incorporated under the Companies Act 1956 having its Registered Office at NTPC Bhawan, Core-7, SCOPE Complex, 7-Institutional Area, Lodhi Road, New Delhi-110003 and its project at Nabinagar Super Thermal Power Station (Previously Nabinagar Power Generating Company Limited-NPGCL) hereinafter referred to as "NTPC" or "NPGCL" or "Employer" which expression shall include its administrators, successors and assignees and M/s G.E. Power System India Private Limited a company incorporated under the laws of India and its registered office is situated at A-18, First Floor, Okhla Industrial Area, Phase II New Delhi South Delhi 110020 India, herein referred to as "GEPSIPL" or "Contractor" or "Claimant" which expression shall include its administrators, successors/executors and permitted assignees.

(Both the parties are collectively referred to as the "parties")

BRIEF OF THE CONTRACT AND DISPUTE:

1. That the Employer is a Public Sector Undertaking, engaged in the business of generation of electricity and allied activities. It is a company incorporated under the relevant provisions of Companies Act 1956 and is promoted by the Government of India.



2. *The Employer on 31.01.2013 issued Notification of Awards in favour of the Respondent pursuant to competitive bidding as under:*

- *NOA for CIF Supply (Indian Port of Entry) bearing No. CS-0370-FC- NOA-01*
- *NOA for Ex Works (India) bearing No. CS-0370-SC-NOA-02*
- *NOA for Inland Transportation, Inland Insurance, Installation, Testing and Commissioning of Steam Turbine Generator bearing No. CS-0370-TC-NOA-03*

3. *Thereafter, three separate contracts were signed between the parties in furtherance of the abovementioned notifications of awards. The dispute in the present case pertains to the installation contract dated 20.02.2013 bearing No. CS-0370-TC-COA-03 as the same covers the installation component of the Contracts.*

4. *Further, the dispute relates to the labour component and revolves around the revision in payment of minimum wages to the labours in terms of the Minimum Wages Act, 1948 by the Government vide notification dated 19.01.2017 ("MW Notification").*

5. *Thereafter, the Contractor invoked the dispute resolution clause under the Contract Agreement, and accordingly the dispute was referred to Arbitral tribunal where the Contractor sought higher compensation (along with other reliefs) in light of the Notification dated 19 January 2017.*

6. *The Arbitral Tribunal vide Arbitral Award dated 103.08.2023, (herein attached as Annexure- -1) has partially allowed the claims of M/S G.E. Power Systems India Private Limited (Claimant) in the following manner:*

“...In view of the above, it is clear to us that the Claimant has proved that a sum of INR 8.5 crores has



been paid to Power Mech on account of increase in costs due to sudden hike in the Basic Rate by the 2017 Notification. Therefore, the Claimant is entitled to an award in the sum of INR 8.5 crores against the Respondent. The Award is accordingly passed in favour of the Claimant along with interest.... Considering the overall facts and circumstances of the case, we are inclined to grant interest at the rate of 12% per annum from the date of cause of action, including pendente lite and future interest, till the date of payment made by the Respondent to the Claimant...."

**NOW THIS SETTLEMENT AGREEMENT WITNESS
AS BELOW**

1. That both parties hereby agree that all differences arisen out of the said dispute mentioned hereinabove now stand resolved and fully settled and no dispute of whatsoever nature shall survive. Accordingly, subject to aforesaid, both parties shall neither raise any dispute nor they shall initiate any proceedings, legal or otherwise against each other with reference to the aforesaid dispute.

2. It is hereby agreed between the parties to this Settlement Agreement that GEPSIPL (Contractor) shall submit the relevant documentary evidence pertaining to the dispute as required for claiming the reimbursement from NTPC Ltd. (Employer) and the Employer shall reimburse the said amount to the Contractor in a timebound manner. Such payment shall be full and final settlement of all the disputes between the parties mentioned hereinabove pertaining to the abovementioned contract.

3. It is hereby agreed between the parties to this Settlement Agreement that NTPC Ltd. (Employer) shall be withdrawing O.M.P. (COMM)- 525/2023 filed before Hon'ble Delhi High Court and GEPSIPL



(Contractor) shall be withdrawing O.M.P. (ENF.) (COMM.) 11/2024 filed before Hon'ble Delhi High Court.

4. It is hereby agreed between the parties to this Settlement Agreement that GEPSIPL (Contractor) shall not be claiming the interest portion of the arbitral award through any proceedings. Further, upon the payment made by the Employer to the Contractor as mentioned above, the Contractor shall indemnify the Employer towards any kind of future claim arising out of the reimbursed amount.

5. That the parties hereby agree that this Settlement Agreement shall have same status and effect as that of an Arbitral Award on agreed terms upon the substance of the dispute in accordance with Section 74 of the Arbitration and Conciliation Act, 1996 and shall be capable of Execution as such.

6. That the parties hereby agree and undertake that in terms of Section 75 of the Arbitration and Conciliation Act, 1996 they shall keep confidential all matters relating to the conciliation proceedings. They also agree that the confidentiality shall extend also to the Settlement Agreement, except where its disclosure is necessary for purposes of implementation and enforcement.

7. The two identical counterparts of the Settlement Agreement are hereby executed by and between the Employer and Contractor through their authorized signatories and with understanding that each shall be deemed original for all purposes.

8. That this Settlement Agreement shall continue perpetually and shall be binding upon the Parties, their successors and assignees.

9. The Settlement Agreement constitutes the entire



agreement and supersedes all prior understandings and writing between the parties hereto concerning the disputes and/or subject matter of this Settlement Agreement.

10. The Parties agree and understand that as a process of settlement the Parties shall withdraw all litigations/ arbitral proceedings/ conciliation proceedings pending on the matters, willingly, without duress and after fully understanding the consequences.

11. Each of the persons signing this Settlement Agreement is fully authorized to do so, has fully understood the contents of the same and is signing on the same out of complete free will and consent, without any pressure and undue influence.”

2. The statement of the learned Counsel for the Petitioner is taken on record. Consequently, both the petitions, i.e., O.M.P. (COMM) 525/2023 & OMP (ENF.) (COMM.) 11/2024 stand disposed of in terms of the settlement.
3. Both parties are bound by the settlement entered into between the parties. Pending application(s), if any, stand disposed of.

SUBRAMONIUM PRASAD, J

NOVEMBER 05, 2024

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