



Serial Nos.04
Daily List

HIGH COURT OF MEGHALAYA
AT SHILLONG

Arb.A.No.2/2024

Date of Order : 23.04.2025

Power Grid Corporation of India Ltd., (a Government of India undertaking) having its registered office at B-9 Qutab Institutional Area, Katwaria Sarai, New Delhi, 110016 and Regional Headquarter at Lapalang Dongtieh, Lower Nongrah, Shillong East Khasi Hills District, Meghalaya-793006 represented by Shri Jeremy Simon Nongrum, S/o Shri T. Khraw Kur Marbaniang, Chief Manager, Power Grid Corporation of India Limited R/o Nongrum Villa, Motinagar, Shillong, East Khasi Hills District Meghalaya.

..... Appellant

Vs.

T&T Projects Limited a company incorporated under the Companies Act, 1956 having its registered office at T3, Parmeswari Building, Chatribari Road, Guwahati-781001.

..... Respondent

Coram:

Hon'ble Mr. Justice I.P. Mukerji, Chief Justice
Hon'ble Mr. Justice W. Diengdoh, Judge

Appearance:

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| For the Appellant | : Mr. A. Kumar, Advocate General with Mr. N. Khera, Adv Mr. S. Pandey, Adv |
| For the Respondent | : Mr. R. Hussain, Adv with Ms. M.M. Shullai, Adv |

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| i) | Whether approved for reporting in Law journals etc.: | Yes |
| ii) | Whether approved for publication in press: | No |

**JUDGMENT: (Per the Hon'ble, the Chief Justice) (Oral)**

Considering the short issues involved in this appeal and the utmost cooperation this Court has received from learned counsel appearing for the parties by making very fair submissions, we have been able to hear out this appeal today and are disposing of it at the very first hearing.

The dispute between the parties is with regard to an arbitral award in respect of claims No.2, 4 and 10. In claim No.10, the respondent asked for release of the bank guarantee for ₹33,71,695/- dated 25th February, 2011 issued by State Bank of India, Fancy Bazar Branch, Guwahati. By his award dated 20th September, 2019, the learned arbitrator has directed the appellant to pay to the respondent the value of the said bank guarantee.

Admittedly, the bank guarantee was never encashed. Upon its expiry it was discharged and returned to the respondent. Learned counsel for the respondent confirms this factual position and admits that this part of the award was made by mistake.

This error in fact finding is so fundamentally wrong and glaring that it can be categorised as patent illegality on the face of the award. The award in respect of claim No.10 is set aside.



In claim No.2, the respondent asked for release of ₹33,50,845/- allegedly deducted from six running bills at the rate of five per cent on granting extension of contract. According to the appellant, the amount retained was ₹22,60,174/- according to the records. Learned Advocate General on behalf of his client is prepared to give an undertaking to return this admitted amount. However, learned counsel for the respondent maintains that the retained money mentioned in the award is correct.

Now, this Court cannot go into the factual dispute with regard to the retained sum. Neither can it rewrite the award by adjudicating and inserting the correct sum.

We think that in the facts and circumstances of this case, the ends of justice would be subserved if ₹22,60,174/-, if the admitted amount is paid by the appellant to the respondent within four weeks from date. We order accordingly.

It would move our conscience if we ignore the submission of the learned Advocate General and affirm this part of the award. Especially so when no arguments on this issue is recorded in the award and no reasons forthcoming in support of the award.

The disputed amount (₹33,50,845 - ₹22,60,174) may be remanded to the learned arbitrator and re-adjudicated by him.



Our observations, reasons and direction are similar with regard to the award in respect of claim No.4 which is similar in nature to claim No.2. The claimed amount is ₹47,39,450/- and the admitted amount is ₹31,17,364/- . We direct the appellant to pay the admitted amount of ₹31,17,364/- to the respondent within four weeks from date. The disputed amount (₹47,39,450 - ₹31,17,364) is also remanded to the learned arbitrator for re-adjudication.

The learned arbitrator is requested to make and publish a supplementary award within six months from date. The award is partly upheld and partly set aside. The award may now be enforced by execution of the award on mutual arrangement between learned Advocates-on-Record for the parties.

The Advocates-on-Record for the parties are appointed Joint Special Officers for the purpose of receiving the deposit of ₹95 lakhs with the Registrar General of this Court, further to an earlier order of this Court. The Registrar General shall comply with this direction.

The Joint Special Officers shall open a joint account to be operated jointly in State Bank of India, Main Branch, Shillong. The said amount of ₹ 95 lakhs should be deposited there by the Joint Special Officers. The fund wholly or partially is to be used



to satisfy the award or that portion of it which remains unpaid. The balance if any shall be refunded to the appellant.

This procedure in execution shall cover the award, as upheld by the Court and not any supplementary award to be made on remand for which separate proceedings in execution may be taken out.

(W. Diengdoh)
Judge

(I.P. Mukerji)
Chief Justice

Meghalaya
23.04.2025
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