



2026:DHC:1586



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

% **Judgment reserved on: 12.02.2026**
Judgment pronounced on: 23.02.2026

+ O.M.P. (COMM) 451/2023 & I.A. 21931/2023

STEEL AUTHORITY OF INDIA LIMITEDPetitioner

Through: Mr. Siddharth Yadav, Sr. Adv
with Mr. Ashish Tiwari, Mr.
Anurag Tiwari and Mr. Sahib
Patel, Advs.

versus

M/S PRIMETALS TECHNOLOGIES INDIA PVT.
LIMITEDRespondent

Through: Mr. Rajesh Markanda, Mr.
Keshri Kumar & Mr. Saurav
Markanda, Advs.

CORAM:
HON'BLE MR. JUSTICE AVNEESH JHINGAN

J U D G M E N T

1. This petition is filed under Section 34 of the Arbitration and Conciliation Act, 1996 (for short 'the Act') challenging the arbitral award dated 02.05.2023, modified vide order dated 07.07.2023.

FACTS

2. The facts in brief emerging from the record are that the parties to the *lis* executed a contract on 01.06.2007 whereby the respondent was to replace 'Existing MG Sets for Roughing and Finishing Stand Drives Motors of Plate Mill by Digital Thyristor Converters' at Bhilai Steel Plant (hereinafter 'BSP'). The work was to be completed by the respondent within twenty-one months and was for a price of



Rs.44,93,20,127/-. The contract was executed, the commissioning certificate and the final acceptance certificate were issued on 03.08.2010 and 24.05.2013 respectively. The final invoices dated 28.05.2018 were submitted by the respondent and the payment was released on 10.07.2018 after deducting liquidated damages (in short 'LD') and Rs.1,40,38,523/- for shortfall in minimum guaranteed CENVAT credit (in short 'MGCC'). On failure of conciliation attempts, the arbitration proceedings as per clause 6 of the General Contract Conditions (in short 'GCC') were invoked on 28.12.2021.

3. The arbitrator framed seven issues:

- “1. Whether the claims of the Claimant are barred by Limitation?
2. Whether the claims are barred by principles of estoppel, waiver and acquiescence?
3. Whether the Claimant is entitled to the declaration from this Tribunal that the amount Rs.1,40,38,523/- deducted by the Respondent on account of shortfall of guaranteed CENVAT is bad in law?
4. Whether the Claimant is entitled to reimbursement of Rs.1,40,38,523/- deducted by the Respondent on account of shortfall of guaranteed CENVAT.
5. Whether the Respondent has withheld any amount on account of Entry Tax over and above the withheld amounts towards shortfall in CENVAT Credit and levy of Liquidated damages? If yes, what amount?
6. Whether the Claimant is entitled to reimbursement of Rs.31,02,155/- on account deduction made against Entry Tax?
7. Whether the Claimant is entitled to interest and if so and, if so, at what rate?



8. Relief and costs;”

3.1 Issues 1, 2, 4 and 7 were decided in favour of the respondent/claimant. The claim was held to be within limitation and there was no estoppel, waiver or acquiescence by the respondent. The deduction of Rs.1,40,38,523/- on account of shortfall in MGCC was faulted. Interest *pendente lite* @12% and post-award interest @9% were awarded. The respondent was held entitled to costs of Rs.18,20,644/-. Hence, the present petition.

SUBMISSION OF THE PETITIONER

4. Learned senior counsel for the petitioner contends that a notice dated 17.05.2014 was issued for imposing LD and deducting the shortfall in MGCC and therefore, the initiation of arbitration on 28.12.2021 is time-barred.

4.1 It is contended that in response to the notice dated 17.05.2014 no objection was raised against the deduction on account of shortfall in MGCC, the right to contest the deduction was waived and the respondent was estopped from invoking arbitration. Further that at the time of final discharge the respondent undertook not to raise any claim and an affidavit dated 09.05.2015 to a similar effect was executed.

4.2 It is canvassed that the arbitrator wrongly held that vide letter dated 21.05.2018 directions were issued by the petitioner for submission of the final invoices.

4.3 The argument is that the arbitrator has rewritten the terms of the contract, the respondent violated Article 2.1 of the contract by not passing the MGCC of Rs.4,65,71,592/- and the arbitrator erred in disallowing the deduction made for shortfall in MGCC.



4.4 It is argued that there was no evidence that the shortfall in MGCC was on account of variation in the rate of taxes and the respondent in compliance with clause 14.6.2 failed to submit the required documents. It is stated that clause 14.6.3 of the contract deals only with variation in taxes of finished goods and not raw materials, parts, components, intermediate component, assemblies, sub-assemblies, etc. The challenge to the award is on the ground that it is violative of Section 31(3) of the Act and is non-speaking.

4.5 The contention is that cost of litigation awarded is exorbitant.

SUBMISSION OF THE RESPONDENT

5. Per contra the issue of LD was not pressed. The cause of action for invoking arbitration arose in the second week of July 2018 when the shortfall in MGCC was deducted and the claim made was within limitation. It is argued that in the notice dated 17.05.2014 deduction for shortfall in MGCC was neither proposed nor quantified therefore, no objection against deduction was raised. The contention that the respondent consented to the deduction is refuted.

5.1 The submission is that in case of non-production of documents, the contract provided that there would be no reimbursement but there is no clause for deducting the shortfall in MGCC. It is submitted that the shortfall in MGCC was to be deducted from the gross contract price and not from the net contract price and reliance is placed upon the decision of the Delhi High Court in **Steel Authority of India Ltd. (SAIL) v. Primetals Technologies India Pvt. Ltd. (Formerly known as Siemens VAI Metals Technologies Pvt. Ltd.) 2020 SCC OnLine Del 2496** against which the intra court appeal and the SLP



were dismissed. The decision of the Calcutta High Court in **Steel Authority of India Limited v. SMS India Private Limited 2025 SCC OnLine Cal 8069** is relied upon to buttress the contention that no deduction for shortfall in MGCC could be made in the absence of a clause specifying such deduction.

ANALYSIS ON ISSUE OF LIMITATION AND WAIVER

6. The undisputed factual findings recorded by the arbitrator are that the contract was executed on 01.06.2007; the commissioning certificate was dated 03.08.2010; the performance guarantee certificate and the final acceptance certificate were dated 23.01.2012 and 24.05.2013 respectively; after getting NOC from the concerned departments including the labour department the respondent submitted final invoices dated 28.05.2018 and on 10.07.2018 the petitioner imposed LD and deducted Rs.1,40,38,523/- for shortfall in MGCC.

7. The mandatory reconciliation prior to arbitration commenced on 26.05.2021 but failed and the arbitration proceedings were initiated on 28.12.2021 i.e. within three years. The arbitrator also considered that in view of the Covid-19 situation the limitation period expiring between 15.03.2020 to 28.02.2022 was extended by the Supreme Court in **Re: Cognizance for Extension of Limitation (2022) 3 SCC 117** by ninety days from 01.03.2022. Even if limitation is computed from 28.05.2018 or 10.07.2018, the claim is still within limitation. It was concluded that the respondent was not aggrieved of notice dated 17.05.2014 but by the deduction of the shortfall in MGCC from the final invoices. The cause of action arose on 10.07.2018 when the deduction was made and therefore the claim is within time. It would



be relevant to note that in the notice dated 17.05.2014 the language used was that deduction for shortfall in MGCC “if any” shall be made. There was no occasion for the respondent to raise a dispute on issuance of the notice in absence of any positive step by the petitioner either to make the deduction or to quantify the amount.

8. The contention that the arbitrator wrongly recorded that invoices were submitted in 2018 pursuant to directions of the petitioner vide letter dated 21.5.2018 does not affect the conclusion arrived at in the award. It is undisputed that the final invoices were to be submitted after obtaining no dues and no objection certificate (NOC) from the department concerned. The NOC from labour department was obtained in 2018 after which the invoices were submitted by the respondent and this explains the time gap in submission of the final invoices. The petitioner deducted LD and shortfall in MGCC upon submission of the final invoices and paid the balance amount.

9. By issuing notice dated 17.05.2014 the petitioner had neither deducted the shortfall in MGCC nor quantified it. The deduction was made on 10.07.2018 and even if the respondent at the time of issuance of notice dated 17.05.2014 was aware of the shortfall in MGCC there was no occasion for the respondent for waiving the right to object to the deduction. The law is well settled that for waiver of a right the party waiving such right must have knowledge of the right and the waiver must be specific. Reference in this regard be made to the decision in **Kalparaj Dharamshi v. Kotak Investment Advisors Ltd. (2021) 10 SCC 401** wherein the Supreme Court considering



decisions in **Manak Lal v. Prem Chand Singhvi 1957 SCC OnLine SC 10**, **Krishna Bahadur v. Purna Theatre (2004) 8 SCC 229** and **State of Punjab v. Davinder Pal Singh Bhullar (2011) 14 SCC 770** held:-

“121. It has been held, that a waiver cannot always and in every case be inferred merely from the failure of the party to take the objection. Waiver can be inferred, only if and after it is shown that the party knew about the relevant facts and was aware of his right to take the objection in question. The waiver or acquiescence, like election, presupposes, that the person to be bound is fully cognizant of his rights, and that being so, he neglects to enforce them, or chooses one benefit instead of another.

122. As such, for applying the principle of waiver, it will have to be established, that though a party was aware about the relevant facts and the right to take an objection, he has neglected to take such an objection.

127.....Waiver is an intentional relinquishment of a right. It involves conscious abandonment of an existing legal right, advantage, benefit, claim or privilege. It is an agreement not to assert a right. There can be no waiver unless the person who is said to have waived, is fully informed as to his rights and with full knowledge about the same, he intentionally abandons them.”

10. The final discharge certificate and the affidavit furnished by the respondent undertaking not to make further claim shall not act as an estoppel. The final bills after statutory compliances and having NOC from the labour department were submitted in 2018, there cannot be an estoppel based on a reply to a notice issued in 2014 or acts done



prior to submission of the final invoices. Another aspect to be considered is that no claim was made by the respondent beyond the contract price and the dispute is against deduction made in 2018 for shortfall in MGCC which had not arisen at the time of final discharge and furnishing of the affidavit.

RELEVANT CLAUSES OF THE CONTRACT

11. Before proceeding further, it would be relevant to reproduce Article 2.1 of the contract and clauses 11.1, 11.2, 11.2.1, 14.5.2, 14.6.1, 14.6.2 and 14.6.3 of the GCC.

“2.1 Contract Price (Reference GCC Clause 11 & Appendix-1)

The Employer hereby agrees to pay to the Contractor the Contract Price in consideration of the performance by the Contractor of its obligations hereunder. The Contract Price shall be Rs.44,93,20,127/- (Forty four crores ninety three lakhs twenty thousand one hundred and twenty seven only), or such other sums as may be determined in accordance with the terms and conditions of the Contract. A minimum CENVAT amount of Rs.4,65,71,592/- (Four crores sixty five lakhs seventy one thousand five hundred and ninety two only) shall be passed on to BSP. The contractor will submit the required documents to BSP for availing CENVAT credits.

11. Contract Price

11.1 The Contract Price shall be as specified in Article 2 (Contract Price and Terms of Payment) of the Contract Agreement. The break-up of the Contract Price is given in the Appendix-1 to the Contract Agreement.

11.2. Price Basis



11.2.1 The Contract Price shall be for the entire scope of the Facilities including spares, oils, grease, lubricants, flushing liquor, chemicals for pickling etc. required till commissioning of the Facilities, imported surplus material and scrap in any form generated inside the plant premises. The contract price shall be inclusive of all taxes and duties and comprise inter-alia of Basic price, excise duty, sales tax, VAT including sales tax/ VAT on works contract/Works Contract Tax), octroi. Turn Over Tax (TOT), Entry Tax, Service Tax, Education Cess and any other duties, taxes and levies, as may be applicable and prevailing on the base date of the contract and insurance. The payment of duties, taxes, levies, etc. will be reimbursed (on actual) against documentary evidence to be produced by the contractor, subject to a ceiling (other than Service Tax) indicated in the price schedule of the contract.

In no case the reimbursement towards duties and taxes, etc., shall exceed the amount indicated in Appendix-1 towards duties, taxes, levies, etc. (other than Service Tax) except as indicated in Sub-Clause 14.6.1, hereof. The contract price shall not include Entry Tax for indigenous as well as imported supply, which shall be paid and borne by the Employer. The bidders may indicate the portion of supply, on which entry tax is not required to be paid by the Employer and the same shall be included in contract price. Invoice for supply of goods shall contain the following:

- Tax payer Identification Number under C.G. VAT Act.
- In case of supplies manufactured within Bhilai Municipal Local Area then "Goods Sold are Local Goods" is to be endorsed.
- In case of Entry Tax paid supplies, "Material is Entry Tax Prepaid" is to be endorsed.



14.5 CENVAT Credit

14.5.2 The Contractor shall submit the necessary documents required by the Employer to avail the CENVAT Credit. In case the Contractor fails to submit the required document for claiming the CENVAT Credit by the Employer in respect of certain plant & equipment, the amount of Excise Duty on such indigenous plant & equipment and Counter Veiling Duty on such imported plant & equipment, shall not be paid by the Employer to the Contractor.

14.6 Variations in Taxes & Duties

14.6.1 For the purpose of the Contract, it is agreed that the 'Contract Price' specified in Article 2 ("Contract Price" & "Terms of Payment") of the Contract Agreement is based on the taxes, duties, levies and charges prevailing on Base date (hereinafter called "Tax" in this Sub-Clause 14.6 hereof). If any rate of tax is increased or decreased, a new tax is introduced, an existing tax is abolished, or any change in interpretation or application of any tax occurs in the course of the performance of Contract, which was or will be assessed on the Contractor, Sub-Contractors or their employees in connection with performance of the Contract. an adjustment of the Contract Price shall be made as per Sub-Clauses 14.6.2 & 14.6.3, hereof, by addition to the Contract Price or deduction therefrom, as the case may be.

14.6.2 The adjustment in the Contract Price towards variation in the taxes shall be made by the Employer on production of the documentary evidences by the Contractor.

14.6.3 The Contract Price shall be adjusted towards variations in taxes in respect of only finished equipment supplied by the Contractor to the Employer.



No adjustment in the Contract price shall be made for variations in the taxes on raw materials, parts, component / intermediate components, assemblies / sub-assemblies, etc.”

12. The ‘contract price’ as defined in Article 2.1 of the contract is Rs.44,93,20,127/-, a minimum CENVAT amount of Rs.4,65,71,592/- was to be passed on by the respondent to BSP.

12.1 As per Clause 11 of the GCC, the basis of the contract price was the scope of facilities including the consumables required for commissioning of the facilities, imported surplus material and scrap generated inside the plant. The contract price was inclusive of taxes, duties, cess, entry tax applicable and prevailing on the base date of the contract as well as insurance. The payments of taxes, duties and levies were to be reimbursed on actual basis subject to production of documentary evidence by the respondent. The reimbursement was subject to the ceiling indicated in the price schedule except for service tax.

12.2 Clause 14 deals with taxes and duties. Clause 14.5.2 obligated the respondent to submit the necessary documents to BSP for availing the CENVAT credit. Duty was not to be reimbursed on failure of the respondent to furnish documents for availing the CENVAT credit.

12.3 Clause 14.6 relates to variation in taxes and duties. Clause 14.6.1 provides that on increase or decrease in the tax rate, introduction of a new tax, abolition of an existing tax or change in interpretation or application of tax during the course of the performance of the contract, the contract price shall be adjusted as per



clauses 14.6.2 and 14.6.3 by making required addition or reduction in the contract price. Under clause 14.6.2, adjustment of the contract price for variation in taxes was to be made by the petitioner on production of documentary evidence by the respondent. Under clause 14.6.3, the contract price was to be adjusted on variation in taxes in respect of finished equipments supplied and not for variation in taxes on raw materials, parts, components, intermediary components, assemblies or sub-assemblies.

ISSUE

13. Issue is whether the shortfall in MGCC which was not reimbursed could be deducted from the net contract price of Rs.40,27,48,535/-?

ANALYSIS

14. The execution of the work and commissioning of facilities are not in dispute. The admitted position is that there was a shortfall of Rs.1,40,38,523/- in MGCC, this amount was not reimbursed to the respondent and deduction was also made from the net contract value of Rs.40,27,48,535/-.

15. It would be relevant to note that the gross contract price constituted of following items:

S.No.	Description	Siemens Indian Rupees
1.	Supply of Plant & Equipment (a) Imported (FOB) (Refer Table-3) (b) Indigenous (At site) (Refer Table-4)	36,31,01,429/-
2.	Civil Engineering Work	



	including Supplies (Refer Table-9)	5,82,08,460/-
3.	Storage, Handling, Erection, Commissioning, and P.G. Tests of Plant & Equipment including Erection of Refractory (Refer Table-11)	2,80,10,238/-
4.	Total contract Price (1 to 13)	44,93,20,127/-
5.	CENVAT Credit	4,65,71,592/-
6.	Contract Price (Net of CENVAT & VAT Credit)	40,27,48,535/-

16. Article 2.1 provides that the respondent shall ensure passing on the MGCC of Rs.4,65,71,592/-. The effect is that the gross contract price was Rs.44,93,20,127/- but after availing the benefit of MGCC the cost of the work for the petitioner would be Rs.40,27,48,535/- which is the net contract price after credit of CENVAT and VAT. Clause 14.5.2 provides that upon failure of the respondent to submit the required documents for claiming CENVAT there shall be no reimbursement. *Albeit* in the case in hand, less excise duty paid resulted in a shortfall in MGCC but for this eventuality there is no clause in the contract providing for deduction of the amount for shortfall in MGCC. There cannot be quarrel with the proposition that no clause can be read into the contract entered between the parties.

17. The contract value is an amount payable to the respondent for the work executed and is inclusive of taxes and duties. The MGCC is not a sum due for the work done but is reimbursement of duty paid which may vary consequent to several factors including variation in the rate of taxes and change in the price of items.



18. The matter needs to be considered from another angle. The gross contract value was Rs.44,93,20,127/-. After getting credit of Rs.4,65,71,592/- of MGCC, the work would cost the petitioner Rs.40,27,48,535/- (Net Contract Value). The position remained unchanged despite the shortfall in MGCC. The duty paid of Rs.3,25,33,069/- was reimbursed for which the petitioner got CENVAT credit. By not reimbursing the shortfall in MGCC the petitioner retained the balance amount of Rs. 1,40,38,523/- and the net cost of the contract remained Rs.40,27,48,535/-. In other words, for getting an MGCC of Rs.4,65,71,592/- the petitioner had to pay Rs.44,93,20,127/- but upon reimbursement of excise duty of Rs.3,25,33,069/-, the petitioner paid a sum of Rs.43,52,81,604/- i.e., Rs.1,40,38,523/- less. Consequently, the net contract price payable for the work done remained unaffected by the shortfall in MGCC as it was not reimbursable and the amount remained with the petitioner.

19. Whether the variation in the rate of tax resulted in shortfall in MGCC and whether such variation in respect of raw materials, components etc could lead to adjustment of contract price as per clause 14.6.1 need not be dilated upon. The arbitrator has rightly decided that shortfall in MGCC shall not be reimbursed but there cannot be deduction for shortfall in MGCC thereby rendering the reasons for shortfall to be inconsequential. For this very reason the non-compliance with clause 14.6.2. shall not be fatal to the claim of the respondent.

20. The reliance of the learned senior counsel for the petitioner on the decisions of the Supreme Court in **Dyna Technologies Private**



Limited v. Crompton Greaves Limited (2019) 20 SCC 1 and **Som Datt Builders Ltd. v. State of Kerala (2009) 10 SCC 259** to contend that a non-speaking award should be set aside being violative of Section 31(3) of the Act is of no avail. The law is well settled that an arbitrator is not expected to write awards like a judgment of a court. Reference in this regard be made to the following judgments.

20.1 In **Dyna Technologies** (supra) it was held that an arbitral award cannot be equated with a judgment of the Court. The relevant extract of the judgment is as follows:

“34. The mandate under Section 31(3) of the Arbitration Act is to have reasoning which is intelligible and adequate and, which can in appropriate cases be even implied by the courts from a fair reading of the award and documents referred to thereunder, if the need be. The aforesaid provision does not require an elaborate judgment to be passed by the arbitrators having regard to the speedy resolution of dispute.”

20.2 In **Som Datt Builders Ltd.** (supra), it was held as follows:

“25. The requirement of reasons in support of the award under Section 31(3) is not an empty formality. It guarantees fair and legitimate consideration of the controversy by the Arbitral Tribunal. It is true that the Arbitral Tribunal is not expected to write a judgment like a court nor is it expected to give elaborate and detailed reasons in support of its finding(s) but mere noticing the submissions of the parties or reference to documents is no substitute for reasons which the Arbitral Tribunal is obliged to give.....”

(Emphasis Supplied)



The award gives basis for arriving at the conclusion that the deduction for shortfall in MGCC could not be made from the net contract value but from the gross contract price and there is no clause providing for deduction of shortfall in MGCC.

21. The interpretation of the clauses of the contract is within the domain of the arbitrators and this court cannot sit in appeal over the award. Reference in this regard be made to the following decisions of the Supreme Court:

21.1 In **National Highway Authority of India v. Hindustan Construction Company Ltd., (2024) 6 SCC 809** it was held as under:-

“16. Now, we turn to the issue of whether the claim for the construction of embankment forms part of the activity of clearing and grubbing and was not payable as embankment work. We may note here that two expert members of the Arbitral Tribunal held in favour of the respondent on this point, whereas the third member dissented. There cannot be any dispute that as far as the construction of the terms of a contract is concerned, it is for the Arbitral Tribunal to adjudicate upon. If, after considering the material on record, the Arbitral Tribunal takes a particular view on the interpretation of the contract, the Court under Section 34 does not sit in appeal over the findings of the arbitrator.”

21.2 In **Indian Oil Corpn. Ltd. v. Shree Ganesh Petroleum Rajgurunagar, (2022) 4 SCC 463** it was held as under:-

45. The Court does not sit in appeal over the award made by an Arbitral Tribunal. The Court does not ordinarily interfere with interpretation made by the



Arbitral Tribunal of a contractual provision, unless such interpretation is patently unreasonable or perverse. Where a contractual provision is ambiguous or is capable of being interpreted in more ways than one, the Court cannot interfere with the arbitral award, only because the Court is of the opinion that another possible interpretation would have been a better one.”

21.3 In **Parsa Kente Collieries Ltd. v. Rajasthan Rajya Vidyut Utpadan Nigam Ltd., (2019) 7 SCC 236**, the court relied on **Associate Builders v. DDA (2015) 3 SCC 49** and held as follows:-

“9.1....After referring Section 28(3) of the Arbitration Act and after considering the decisions of this Court in *McDermott International Inc. v. Burn Standard Co. Ltd.* [*McDermott International Inc. v. Burn Standard Co. Ltd., (2006) 11 SCC 181*] , SCC paras 112-113 and *Rashtriya Ispat Nigam Ltd. v. Dewan Chand Ram Saran* [*Rashtriya Ispat Nigam Ltd. v. Dewan Chand Ram Saran, (2012) 5 SCC 306*] , SCC paras 43-45, it is observed and held that an Arbitral Tribunal must decide in accordance with the terms of the contract, but if an Arbitrator construes a term of the contract in a reasonable manner, it will not mean that the award can be set aside on this ground. It is further observed and held that construction of the terms of a contract is primarily for an Arbitrator to decide unless the Arbitrator construes the contract in such a way that it could be said to be something that no fair-minded or reasonable person could do.....”

(Emphasis Supplied)

22. The award was passed after considering the relevant clauses of the contract. The interpretation by the arbitrator is not only plausible



but in the absence of any clause providing for deduction on account of shortfall in MGCC, is the only interpretation possible.

23. The Calcutta High Court in **Steel Authority of India Limited v. SMS India Private Limited** (supra) while dealing with similar clause of MGCC held that in the absence of specific clause no deduction can be made.

24. The decision of Delhi High Court relied upon by the learned counsel for the respondent in **Steel Authority of India Ltd. (SAIL) v. Primetals Technologies India Pvt. Ltd.** (supra) does not apply to the facts of the present case. In that case there was a specific note providing that upon failure to furnish documents for availing CENVAT credit the shortfall would be deducted from the gross contract price. In the case in hand there is no clause or note providing for deduction.

25. The challenge to the quantum of costs awarded is ill-founded. The arbitrator while exercising discretion under Section 31A of the Act considered the facts of the case and the costs incurred.

CONCLUSION

26. In view of the above discussion, it is concluded that:

- (a) the claim was filed within three years of deducting the shortfall in MGCC and also falls within the period of limitation as extended by the Supreme Court in view of the prevailing pandemic conditions;
- (b) No case is made out that the respondent waived the right to raise objection to the deduction made on account of shortfall in MGCC;
- (c) there is no clause for deducting the shortfall in MGCC and clause



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14.5.2 only stipulates that on failure of the respondent to produce documents for enabling the petitioner to avail CENVAT credit there shall be no reimbursement of the duty paid;

(d) Despite the shortfall in MGCC the net value of the contract remained unchanged;

(e) The award gives the basis for the conclusions arrived at and does not violate Section 31(3) of the Act; and

(f) The interpretation of the contractual clauses by the arbitrator is a plausible one and is not vitiated by perversity, patent illegality or conflict with the public policy of India.

27. The petition is dismissed. Pending application stands dismissed.

AVNEESH JHINGAN, J.

FEBRUARY 23, 2026

Ha/Ch

Reportable:- Yes