



CENTRAL PUBLIC WORKS DEPARTMENT

OFFICE MEMORANDUM

No. DGW/CON/141

ISSUED BY AUTHORITY OF DIRECTOR GENERAL OF WORKS

NIRMAN BHAWAN, NEW DELHI

28 April, 2000

APPOINTMENT OF ARBITRATOR BY CHIEF ENGINEERS OF CPWD

Clause 25 of the General Conditions of Contract for CPWD Works, 1998 prescribes a complete drill to be followed by a contractor before he can serve a notice upon the Chief Engineer to appoint an Arbitrator. In case of a dispute arising in relation to the matters mentioned in the clause, the contractor is required to request the Superintending Engineer in writing, within 15 days, for written instructions or decision. If the Superintending Engineer fails to give instruction or decision within one month or the contractor is not satisfied with the instruction or the decision, he may appeal to the Chief Engineer within 15 days of receipt of the Superintending Engineer's decision. The Chief Engineer is required to give his decision within 30 days of receipt of contractor's appeal. It is only if the contractor is dissatisfied with the decision of the Chief Engineer that he can give a notice to the Chief Engineer within 30 days from the receipt of his decision to appoint an Arbitrator failing which the decision shall be final, binding and conclusive and not referable to adjudication by the Arbitrator.

Notwithstanding this drill, the above clause does not specify any time limit for the Chief Engineer for appointing the Arbitrator. Nor there is a time limit given in the Arbitration and Conciliation Act, 1996. Para 36.14 of CPWD Manual Vol.II does, however, prescribe a time limit of 30 days for the Chief Engineer to appoint the Arbitrator. Cases of inordinate delay in appointment of the Arbitrator have come to the notice of this Directorate. The matter was discussed in the second meeting of the Technical Board of CPWD.

It has been decided that the drill for the appointment of Arbitrator prescribed in Clause 25 of the General Conditions of Contract for CPWD Works, 1998 should be scrupulously followed. The Chief Engineer should decline to appoint the Arbitrator if the contractor has not followed this drill. And, once the contractor has given the notice to the Chief Engineer for appointment of Arbitrator after observing all the formalities, the Chief Engineer must appoint the Arbitrator within 30 days of receipt of such notice from the contractor.

(P.K.Mathur)

Superintending Engineer (C&M)

File No. CSQ/SE/CM/Tech. Bd.

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