CHAPTER 1 Introduction

Wherever there are commercial transactions, disputes are inevitable. Infrastructure projects coupled with great uncertainties are more prone to development of disputes between the contracting parties than any other commercial contracts. Therefore, there is a need to continuously evolve the mechanism that helps in expeditious and effective resolution of disputes and create win-win situation for both contracting parties.

Government happens to be the biggest contracting party in infrastructure contracts and thus by default the biggest litigant as well. Therefore, it is all the more imperative that public money catered for infrastructure development of the nation is not blocked or wasted in litigations. The health of infrastructure of a nation is indicative of the development of that nation. Therefore, a sound and efficient dispute resolution mechanism is most essential for infrastructure development of a country.

Arbitration has evolved in the last century as a means to resolve Commercial disputes owing to its distinct advantages over litigation like speed, cost effectiveness,
confidentiality, convenience, continuity, etc. However, simultaneously some flaws have crept in the system which diminishes these advantages. Over the time the arbitration process has failed to lead the contractual dispute to its logical conclusion. Therefore, there is a scope for improvement in the Arbitration process including institutional arbitration apart from encouraging other methods of Alternative Dispute Resolution (ADR) like conciliation, mediation and Dispute Boards specifically in contracts related to infrastructure projects.

Military Engineer Services (MES) is one of the largest government construction agency engaged in Infrastructure development for the Indian Defence Forces i.e. Army, Navy, Air Force, DRDO and Coast Guard. An efficient dispute resolution system is critical for the timely completion of strategically crucial infrastructure projects for Defence forces.

This study explores the efficacy of dispute resolution system prevailing in MES contracts and compares it with the best International practices and those adopted by other government and public sector infrastructure building agencies in the country to usher in the structural reforms.

1.1 Background

The researcher is an Engineer officer from the Contracts Cadre of Military Engineer Services with 15 years of experience in Contract Management of Defence Infrastructure Projects. The work responsibility of the researcher among other things includes giving fair and unbiased advice to the Engineer Executives on Contract matters for avoiding contractual disputes. However, on occurrence of disputes the responsibility shifts to efficient resolution of Contractual Disputes through the Arbitration proceedings and related court cases.

Over the years, the researcher has noticed that the cause of government takes a beating in majority of Dispute cases pertaining to Infrastructure Contracts. The government loses majority of Arbitration cases and then challenges the Arbitration awards in the hierarchy of Courts. Even in courts the final decision is mostly in favour of contractors. Thereafter, the government not only has to pay the principal awarded
amount but the interest liability finally payable is always more than the original Principal amount. Thus, the government generally ends up paying several times the original principal amount awarded in favour of contractor. The reason for this astronomical increase in interest liability is the length of time the dispute is in resolution stage. The initial arbitration process takes years and the court case stage takes a decade or more. The interest liability starts from the day the cause of action of dispute started. Thus, the pre-reference, pendente lite and future interest clubbed together increases the government liability astronomically when the final verdict is received from the highest court.

The above paragraph described the scenario when the contractor was claimant. Even in cases where the government is the claimant there is no change in the scenario. In case a contract is cancelled by government on default of the contractor to complete the work despite sufficient opportunities given by extending the period of completion, the government has to fight tooth and nail to recover the extra expenditure made to complete the balance work from the defaulting contractor. On the contrary in majority of cases, the Arbitrator declares the cancelation of contract by the government as illegal and hence instead of awarding the amount in favour of government, the contractor manages to get away with his damages claims for illegal cancelation. The researcher in his entire career has not come across any case where the recovery could be affected by the government from the defaulting contractor despite long drawn battle running for decades in the Arbitration and various Courts.

Even while pleading the cause of government before the Arbitrator, the researcher had a feeling of helplessness on two counts as under:

- One is when despite being fully convinced about the default from the government officials’ side you have to plead in favour of government on weakest of the grounds. You are always fighting a losing battle as you have no other option.
- On the other extreme side, there are times where you get a feeling that however strong government case may be or however hard you try to plead, it appears that the Arbitrator has already made up his mind to award in favour of the contractor. When so many senior Engineer officers using their professional wisdom after giving enough opportunity for completion had decided that the contractor is not in
a position to complete the work thereby cancelling the contract, then how come an outsider Arbitrator concludes that cancelation was illegal. This is not the scenario in any exceptional case but in almost every case which is defended by the contractor, the cancelation is declared illegal by the Arbitrator. Only in cases where the contractor does not participate in Arbitration proceedings the *ex parte* award is given in favour of government.

Apart from above, there are several other facts about the Contractual Dispute Resolution System of MES that have been bothering and disturbing the researcher. These disturbing facts are as under:

- the delays in Arbitration process including:
  - the delay in appointment of Arbitrator
  - the delay in Arbitration proceedings
  - unnecessary postponements and adjournments sought by both parties
  - abnormal delay in proceeding with the case by the Arbitrator himself

- no accountability of the arbitrator
  - in sticking to the time schedule
  - after giving a patently illegal award

- no checks over the conduct of Arbitrator in
  - Arbitration proceedings
  - award by the Arbitrator

- difficulty in challenging the arbitrator during the Arbitration proceedings being a serving senior department officer

- lack of legal training of Arbitrators or even the Engineer Executives defending the government case

- misuse of Arbitration clause by the Contractor by raising frivolous claims

The experience of the researcher as described above is shared by majority of MES officials but may not be concurred by many citing individual’s personal opinion. However, if a thorough research is conducted taking sufficient percentage of case studies from amongst the relevant population, the opinion may find force and reinforcement. This is exactly what the researcher has done by taking over 40% of case studies from amongst the relevant populations using purposeful sampling
selecting information-rich typical cases to explore the current scenario of Contractual Dispute Resolution System prevalent in MES.

However, just finding faults in the system is a very easy job. What is constructive approach is not just criticize the system but make efforts to improve the system so that public money sanctioned for infrastructure development works does not go down the drain. The reforms that can improve the current system cannot be just suggested on personal imagination but have to be based on certain concrete evidence. Therefore, to recommend possible steps to improve the current system of dispute resolution system, the researcher decided to study what system the other government and public sector agencies are following to resolve their contractual disputes. Or for that matter but what are the systems and procedure in place in international contracts. Also, the reforms being ushered in the law relating to the Alternative Dispute Resolution have also been the focus of this research. Therefore, the current study is not just a fault finding mission but a constructive action research to propose the modifications required in our current approach towards the dispute resolution in Infrastructure Contracts so as to contribute towards the dreams of this nation of being a superpower in the near future.

1.2 Statement of the problem

The current study has been undertaken on the following theme:

A STUDY OF ALTERNATIVE DISPUTE RESOLUTION (ADR) SYSTEM IN INFRASTRUCTURE PROJECTS FOR INDIAN DEFENCE FORCES

As described in the preceding paragraphs under the background of the study there are several problems, flaws or shortcomings in the present system of Contractual Dispute Resolution noticed over a period of time which needs critical attention.

These problems are discussed hereinafter:

(a) Huge Govt. money, running in trillions, is blocked in litigation and cost & time overrun in central infrastructure projects with MES also having its share of large number of projects running under disputes
Several recent government reports including Economic Survey Reports have brought out that huge Government money, running in trillions, is blocked in litigation and cost & time overrun in central infrastructure projects. MES also has its share of large number of projects running under disputes. Certain data in respect of pending Arbitration and connected court cases (as on 18 Feb 14) in respect of MES contracts are appended below.

Table 1.1: Number of MES contract related court cases pending in various courts

<table>
<thead>
<tr>
<th>Contract Accepting Authority</th>
<th>Chief Engineer (CE)</th>
<th>Commander Works Engineer (SE)</th>
<th>Garrison Engineer (EE)</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>District Courts</td>
<td>451</td>
<td>276</td>
<td>162</td>
<td>889</td>
</tr>
<tr>
<td>High Courts</td>
<td>340</td>
<td>185</td>
<td>93</td>
<td>618</td>
</tr>
<tr>
<td>Supreme Court</td>
<td>20</td>
<td>7</td>
<td>2</td>
<td>29</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>809</strong></td>
<td><strong>468</strong></td>
<td><strong>254</strong></td>
<td><strong>1531</strong></td>
</tr>
</tbody>
</table>

Table 1.2: Number of arbitration cases pending in MES

<table>
<thead>
<tr>
<th>Contract Accepting Authority</th>
<th>Chief Engineer (CE)</th>
<th>Commander Works Engineer (SE)</th>
<th>Garrison Engineer (EE)</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Northern Command</td>
<td>15</td>
<td>16</td>
<td>9</td>
<td>40</td>
</tr>
<tr>
<td>Southern Command</td>
<td>58</td>
<td>26</td>
<td>24</td>
<td>108</td>
</tr>
<tr>
<td>Eastern Command</td>
<td>18</td>
<td>18</td>
<td>7</td>
<td>43</td>
</tr>
<tr>
<td>Western Command</td>
<td>41</td>
<td>27</td>
<td>26</td>
<td>94</td>
</tr>
<tr>
<td>Central Command</td>
<td>22</td>
<td>24</td>
<td>13</td>
<td>59</td>
</tr>
<tr>
<td>South-Western Command</td>
<td>10</td>
<td>10</td>
<td>6</td>
<td>26</td>
</tr>
<tr>
<td>ADG (Ordinance Factories &amp; DRDO)</td>
<td>5</td>
<td>0</td>
<td>2</td>
<td>7</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>169</strong></td>
<td><strong>121</strong></td>
<td><strong>87</strong></td>
<td><strong>377</strong></td>
</tr>
</tbody>
</table>

1 Indian Defence Contract Management Surveyor Officers Association (IDCM SOA). (18 Feb 2014). **MES pending court cases. M ES. Delhi: President.**

2 Indian Defence Contract Management Surveyor Officers Association (IDCM SOA). (18 Feb 2014). **MES pending arbitration cases. M ES. Delhi: President.**
Table 1.3: Number of additional arbitration cases expected in MES

<table>
<thead>
<tr>
<th>Contract Accepting Authority</th>
<th>Chief Engineer (CE)</th>
<th>Commander Works Engineer (SE)</th>
<th>Garrison Engineer (EE)</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Northern Command</td>
<td>7</td>
<td>0</td>
<td>0</td>
<td>7</td>
</tr>
<tr>
<td>Southern Command</td>
<td>17</td>
<td>5</td>
<td>2</td>
<td>24</td>
</tr>
<tr>
<td>Eastern Command</td>
<td>6</td>
<td>1</td>
<td>2</td>
<td>9</td>
</tr>
<tr>
<td>Western Command</td>
<td>6</td>
<td>1</td>
<td>0</td>
<td>7</td>
</tr>
<tr>
<td>Central Command</td>
<td>4</td>
<td>0</td>
<td>1</td>
<td>5</td>
</tr>
<tr>
<td>South Western Command</td>
<td>5</td>
<td>0</td>
<td>0</td>
<td>5</td>
</tr>
<tr>
<td>ADG (Ordinance Factories &amp; DRDO)</td>
<td>9</td>
<td>0</td>
<td>2</td>
<td>11</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>54</strong></td>
<td><strong>7</strong></td>
<td><strong>7</strong></td>
<td><strong>68</strong></td>
</tr>
</tbody>
</table>

The data projected above reveals the quantum of disputes in the Construction Contracts undertaken by MES. A total of 1531 Court cases pertaining to contractual disputes is alarming. Specifically, the number of Court cases pending in District Courts and High Courts with combined figure of 1502 is abnormally high. These cases are pending for years or even decade without final resolution of the disputes. The figure of running 377 cases of Arbitration is going to further add on to this load of Court Cases in the near future. Add to this another 68 cases at the inception stage/appointment of Arbitrator stage expected to take the combined figure of disputes close to 2000 mark. The total amount at stake in these disputes shall be expected to be over hundreds of Crores of Rupees. Not just the amount but these disputes account for wastage of enormous time and efforts of Government Officers and machinery which is generally not measured in financial terms.

Considering the scarcity of manpower resources, the defence and monitoring of these arbitration and court cases is a herculean task. Considering the situation from other perspective, the defence of Government interest in these cases is often neglected...
by highly preoccupied Engineering staff. The analysis of the data pertaining to these cases would clearly show that the awards / judgments favouring contractors vastly outnumber the ones favouring Government.

Therefore, there is an emergent need to have improved systems in place so that the disputes are avoided in the infrastructure contracts. However, after the disputes occur, the focus should be to resolve them at its inception stage. Finally, in case the disputes are not resolved at the initial stage, then the endeavour should be towards effective and speedy resolution by adopting the best techniques of Alternate Dispute Resolution. There is an urgent need to reduce the load of about 2000 contractual dispute cases pending at different stages of dispute resolution as described above to bring them to within manageable limits.

**(b) Dispute Resolution system being followed in MES is not giving desired results with disputes running in Arbitration & courts for decades**

**Delays in Arbitration Process:**

Disputes remain unresolved for ages. Majority of arbitrators appointed are serving Army / Civilian officers of MES and are not dedicated Arbitrators. Being too occupied in their routine main responsibilities as executives, designers, planners, etc for upcoming projects, they are unable to spare adequate quality time for Arbitral Proceedings leading to delays in dispute resolution. Also, there is no continuity for Arbitrators as they get transferred in the middle of an arbitration case. New arbitrator appointed takes his own time to get familiar with the dispute before restarting the arbitration proceedings. Then there are unnecessary adjournments and postponements asked by both the parties that abnormally slows down the progress of Dispute Resolution Process.

*Awards favouring contractors vastly outnumber awards favouring Government*: 

Despite default on the part of the contractors to fulfil their part of performance in the contracts, huge government claims are ignored whereas numerous claims of contractors are awarded in their favour. This leads to huge losses to the exchequer and
is a cause for great concern which calls for intensive study into the reasons leading to such situation.

Conciliation/mediation not getting its due recognition:

An issue which could have been tackled at its very inception by using Conciliation/mediation blows into a full fledged dispute leading up to Arbitration and ultimately drags in the courts for years. Role of mediation/conciliation is practically non-existent. Even there is no initiative by concerned officers to get Arbitration award on agreed terms under section 30 of Arbitration and Conciliation Act, 1996 for fear of Audit objection.

Patently illegal awards:

Large numbers of awards are given by the Arbitrators in clear violation of terms of the contract, substantive law or provisions of the Act. The awards of these types are categorised as being patently illegal.

No accountability of arbitrators:

There is no accountability of the arbitrator even after publishing unreasonable awards. Challenge of the patently illegal awards in the Court by the government does not in any way adversely affect the Arbitrator.

No Prior scrutiny of awards:

No provision exists in MES for any scrutiny of award by an expert committee before publish of award by the arbitrator leading to publishing of erroneous and patently illegal awards.

Arbitrators not adequately equipped/trained in arbitration & substantive laws:

Some of the officers have attained qualifications in Law including Contract and Arbitration law with rich experience in handling contract disputes and arbitration cases. These officers are well equipped to act as arbitrators having both legal & technical expertise about contractual disputes. However, a large chunk of officers appointed as arbitrators lack expertise in Contract & Arbitration law. This also leads to unreasonable awards.
Difficult to challenge the arbitrator:

It is very difficult to challenge the arbitrator on the basis of bias or other reasons or to terminate his mandate under section 13, 14 & 16 of the Arbitration and Conciliation Act 1996, being a senior departmental officer.

Misuse of Arbitration Clause:

Contractors freely invoke arbitration raising frivolous claims, as no arbitration fee is charged from any disputing party. It results in Government machinery & efforts being wasted for years for resolving those frivolous claims.

(c) Interest liability increasing astronomically with long pending court cases & no recovery in projects cancelled on risk & cost of defaulting contractor

There is a tendency among the Engineer executives to always challenge the award given by the Arbitrator in the courts just because it is not in their favour. They just try to rationalize their loss in the Arbitration by alleging misconduct by the Arbitrator in almost every case. There shall be numerous cases when the award has been challenged by MES without any legally tenable ground to get the award set aside. The result is wastage of government money in defending the long drawn legal battle for years together which ultimately backfires as not only the government loses the case in the highest court but the interest liability takes such enormous proportions by that time invariably in all cases the total amount payable to the contractor is two-three times or even more than the Principal amount payable had they not challenged the award and implemented within the limitation period of 3 months after the award.

Then there are cases where the department keeps trying to recover the excess amount spent in completion of the work on the risk and cost of the defaulting contractor whose contract was cancelled. However, that recovery always remains elusive. At least the researcher has never come across any case in his entire career or during this research where government has been able to recover the risk and cost amount from defaulting contractor. On the contrary there are numerous examples including those in this study where Arbitrator awards damages in favour of the contractor for illegal cancelation of the contract by MES. Thus, instead of recovering
MES ends up paying huge extra amount after the long legal battle which even escalates its interest liability abnormally.

Even in cases where the Arbitrator awards risk and cost amount in favour of the government which is very rare phenomenon and occurs mostly when the contractor does not participate in Arbitration and Proceedings are held in his absence *ex parte*, the recovery is seldom achieved. The contractor goes missing and not traceable for effecting recovery and his standing security as per rules is a meagre amount which practically yields nothing.

*(d) Deferring the stage of Dispute Resolution is not helping:*

Infrastructure Projects have enormous uncertainties associated with it, unlike other contracts where variations from contract conditions are little. Thus, during execution of any infrastructure project, many deviations and variations are inevitable. This is due to the fact that no two projects are alike. Even if plans are same site conditions, climatic conditions, human factor, financial aspects, contractor and user aspirations may differ. Thus, with all such factors contributing to the uncertainties and consequential deviations from initial contractual obligations, disputes are going to arise.

Thus, disputes are part and parcel of any infrastructure project. Therefore, we need to devise ways and means to minimize occurrence of such disputes by adopting proactive approach. Even then if the disputes have arisen then we must make all efforts to resolve them expeditiously so that it does not affect the progress, timely completion and success of the Infrastructure projects.

However, as per the General Contract Conditions of MES Contracts, all disputes between the parties to the Contract shall be referred to Arbitration *only after the completion of the Contract*. The spirit behind such a contract condition may be noble which is that both parties should concentrate all their efforts and resources only towards the progress of the project. Any dispute which has come up during execution be kept for resolution once the project gets finished successfully. Thus, the resolution of dispute during execution is considered to be a distraction in successful completion of the project. Even in case of cancelled contracts, the dispute resolution shall start only when the fresh agency has been contracted to complete the balance work.
This approach towards timing of the dispute resolution needs a review. Generally the contract conditions in any Government infrastructure project are such that contractor has little scope to refuse the deviations from the initial scope of work. The only thing of dispute is if he is entitled to any claim of additional payment or damages and time extension for that and if yes then how much should be the amount /extent of that claim. Further, if there is any default from either side in fulfilling their side of reciprocal promises under contract, then the entitlement of liquidated damages by each side is under dispute.

Whatever may be the dispute; if it is not resolved at the inception stage it takes the shape of alarming proportions as explained below:

- The denial of genuine claims of the contractor during execution stage leads to problems of working capital crunch which ultimately affects the performance of the project.
- Due to fear of the audit, the department officers take a passive approach towards accepting even the most genuine claims of the contractor.
- Denial of genuine claims leads to frivolous claims from the contractor as compensation for his just right. This leads to a vicious circle where claims and counter claims are raised by both the parties but resolution is deferred owing to contract conditions and the norms. This approach creates a feeling of bitterness & frustration for the aggrieved party.
- In this entire vicious circle of claims and counter claims, the project progress suffers as most efforts are spent on non-productive activities rather than joint efforts to diligently proceed with the work.
- If the project is of any strategic importance such as road work in the border areas or runway/ hanger construction work in an Air force station or any ammunition storage or operational building, then any delay in completion of the project may affect the safety and security of the entire nation.

Therefore, deferring the dispute resolution till after the discharge of the contract is not always the preferred proposition.
Thus, there are clear flaws in the current strategy of dispute resolution in the MES contracts which needs to be reformed sooner than later.

Conceptual Definitions

**Arbitration**: A method of alternate dispute resolution through _adjudication by_ a private person / tribunal appointed with the parties’ own choice.

**Mediation**: A method of alternate dispute resolution through _amicable settlement_ of disputes between the parties _facilitated by_ a third person ie a mediator.

**Conciliation**: A method of alternate dispute resolution through _amicable settlement_ of disputes between the parties with the _intervention of_ a third person ie a conciliator.

**Award**: Decision given by an Arbitrator after adjudication of the dispute which is final and binding on both the parties to the dispute.

**Settlement**: An amicable resolution of the dispute arrived at through negotiation, mediation or conciliation.

1.3 Importance of the Study

Basically infrastructure development projects relate to the following fields:

- Roads
- Railways
- Airports
- Ports
- Power including generation (to a limited extent), transmission and distribution
- Urban water supply including treatment, transmission and distribution
- Waste water including disposal and treatment
- Solid waste management

Central Government, State Government and Public Sector organizations are the biggest players in the development of the Infrastructure in India. Most infrastructure projects be it highways, railways, civil aviation, shipping & ports, power, urban development, water resources or telecommunications are carried through the mode of Contracts.
Military Engineers Services (MES) is the agency responsible for construction and maintenance of Infrastructure assets of Indian Defence forces. MES is responsible for contracting and executing all infrastructure projects for Army, Navy, Air Force, DRDO and Coast Guard. The annual budget of MES and allied organizations involved in infrastructure development for defence forces is generally close to 10% of the total defence budget. MES has an annual Work Load of over Rs.10,000 Cr. There are over 500 Stations of defence establishments where MES gives its services of Construction and maintenance. MES maintains Capital Assets worth Rs 60,000 Cr which is next only to Railways.

During the last 6 decades, expansion and changes in the locations of the unit / troops necessitated the planning of new Cantonments/military stations and enlargement of existing ones. The projects undertaken for defence forces are for improving the living conditions of the soldiers and their families & also improve the war preparedness of the defence forces. The various projects for all wings of Indian Defence Forces undertaken by the Military Engineer Services include Construction and maintenance of the following:

– The planning of new Townships (Cantonments) and redevelopment of existing military station / cantonments, to ensure sound, rationalized and integrated development.

– Projects pertaining to Planning, designing, Constructing and maintaining the Residential Accommodation to all serving Defence officers, soldiers and their families.

– Technical Buildings required to the house the offices and various specific requirements to suit each of the wings of Indian Defence Forces.

– Hospitals which are integral part of any Military, Air Force or Naval station are planned, designed, constructed and maintained with latest and state of the art specifications to cater to the emergent needs of the soldiers and their families.

– Docks, Airfields, runways, taxiways, hangers, Ammunition depots, Operational buildings
- School buildings, College Buildings like AFMC, ADC, ALC
- Ordinance factories & Laboratories for DRDO
- Roads in the cantonments and remote but strategically important military stations to ensure connectivity and supply to the fighting units
- Electric Supply: Generally the electric supply from the various electricity boards are taken at 33 KVA and then transmitted and distributed to the defence users in the cantonments by MES. However, MES also procures and maintains Gen Sets for backup supply.
- Services like Water supply, Air conditioning, Drainage, sewage, water and sewage treatment plants, Furniture, etc

Just as Infrastructure development is vital for progress of the nation, Infrastructure development and maintenance of the assets of the Defence forces is most essential for high morale of the forces and their war preparedness. MES is responsible for contracting and executing infrastructure projects for Army, Navy, Air Force, DRDO and Coast Guard.

Most of these construction and maintenance works are carried out by MES through contracts. The successful and timely completion of these infrastructure projects depends upon an efficient dispute resolution system in place. However, over the years the dispute resolution system in MES has failed to deliver the desired results. There have been time and cost overrun in numerous projects leading to disputes and consequent litigations. The process of Arbitration and subsequent litigation in the courts has proved to be highly inefficient to resolve disputes to its logical conclusion.

There is no doubt that Arbitration as a means of alternative dispute resolution is one of the most universally acclaimed and accepted methods in resolving Commercial Disputes. The Arbitration clause exists in invariably all International Commercial Contracts. This remedy of Arbitration for resolving all types of disputes including commercial disputes is tried and tested over ages. Therefore, the reasons for its failure in MES have to be explored in detail to overhaul the system. This is vital
for smooth and timely completion of Infrastructure projects to avoid the public money going down the drain in contractual litigations. This is even more essential for the strategically important defence projects for the raising the morale of Indian Defence forces.

The field of Alternative Dispute Resolution (ADR) is not just restricted to Arbitration. There are many other ADR techniques like negotiation, mediation, conciliation, etc and new innovations like Dispute Review Board (DRB) or Dispute Redressal Committee (DRC). Then there is Institutional Arbitration which is fast gaining popularity over Ad hoc arbitration in International Commercial Contracts as an efficient and effective means of Alternative Dispute Resolution.

In view of the above, this study assumes importance in the sense that in case some of the results of this study, if implemented, shall have a positive impact on the smooth completion of the future infrastructure projects for the Indian Defence Forces.