

**SUPREME COURT OF INDIA**

C.A.G. of India

Vs

State of Rajasthan and Others

Appeal (Civil) 4066-4067 of 2003 with Civil Appeal No. 4069/2003 & Civil Appeal No. 9108/2003

(Dr. A.R. Lakshmanan and Altamas Kabir, JJ)

28.08.2006

**JUDGMENT**

**Dr. A.R. LAKSHMANAN**

Heard Shri Soli J. Sorabjee learned senior counsel for the appellant, Mr. P.P.Rao learned senior counsel for the contesting respondents and Mr. G. Bikshapathy learned senior counsel for the other respondents. The matters were heard at length on an earlier occasion. These are listed for final hearing today before us. After some discussions all the parties to these proceedings agree that the order impugned in these proceedings passed by the High Court in D.B. Civil Miscellaneous Application No.2556 and 2557/2002 dated 27.11.2002 and D.B. Civil Writ Petition No. 4869/2001 dated 30.07.2002 be set aside and a sole arbitrator be appointed to resolve the entire dispute between the parties. We, therefore set aside the order passed by the Division Bench of the High Court in DBCMA. No.2556 and 2557/2002 dated 27.11.2002 and DBCWP No. 4869/2001 dated 30.07.2002. No costs. All the Civil Appeals 4066-4067/2003, 4069/2003 and 9108/2003 are disposed of accordingly.

In view of the agreement between the parties we appoint Hon'ble Mr. Justice D.P.Wadhwa, C-25, Panchsheel Enclave, New Delhi - 110017, retired judge of this Court as the sole Arbitrator to resolve the entire dispute between parties to these proceedings. We order accordingly.

We make it clear that this order is passed in the special and peculiar circumstances of the case and it shall not be treated as a precedent. We request the arbitrator to dispose off the matter and make his award within three months from the date of entering upon the reference. The sole Arbitrator may take the assistance of a Chartered Accountant. The parties to this action will bear the costs to the Arbitration proceedings equally. The sole Arbitrator is at liberty to fix his fees in consultation with both the parties. The Venue for Arbitration is at Delhi. The arbitrator shall file his award in this Court. The parties are at liberty to move the Arbitrator for any further interim order.

Communicate this order to the sole Arbitrator now appointed.