

86 CASE TESTUBG  
170725

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**BETWEEN:**

86 CASE TESTUBG

*[Claimant]*

86 CASE TESTUBG

*[Respondent]*

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**Before**

86 CASE TESTUBG

**Day 1**

**Tuesday 23 September 2025**

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86 CASE TESTUBG

*On Behalf of Claimant*

86 CASE TESTUBG

*On Behalf of Respondent*



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01 10:15:03 06 August 2025 test

02 10:16:30 **CHAIRMAN:** Given by the experts yesterday as to the

03 10:16:32 design defects, some part of it relates to if we see

04 10:16:35 on this page itself, paragraph 3 on the right side,

05 10:16:38 estimated cost of rectification. That is in Mr Paul's

06 10:16:44 scope of?

07 10:16:46 A. This is not.

08 10:16:47 **1 Q. Estimated cost of the new mill?**

09 10:16:49 A. Estimated cost of new mill.

10 10:16:51 **2 Q. There's no rectification cost?**

11 10:16:54 **CHAIRMAN:** What you're saying now is that only the third

12 10:16:56 column in this table is his responsibility? We have

13 10:17:02 to have a fair process by which the other parties can

14 10:17:07 prepare their questions and this has not been

15 10:17:09 specified in your list, which makes it very difficult,

16 10:17:11 I'm afraid.

17 10:17:12 So all my records, since I had one sentence in his

18 10:17:17 or the other sentence -- so my records, I went by the

19 10:17:20 paragraph.

20 10:17:21 So my Lords, the objection may kindly not be

21 10:17:24 allowed and the witness will be directed to answer.

22 10:17:31 **CHAIRMAN:** Mr Smith, you can ask the question of course

23 10:17:33 and he can say if he doesn't know or whether he needs

24 10:17:36 you to rephrase it.

25 10:17:37 **MR SPRANGE:** I'll repeat the question and the answer is

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01 10:17:38 his.

02 10:17:39 **CHAIRMAN:** Thank you.

03 10:17:41 **MR SPRANGE:** In the list of design deficiencies in the

04 10:17:45 list I have just shown to you, bundle L2, page 63,

05 10:17:49 which of the deficiencies pertained to the proprietary

06 10:17:53 design of Prime Metals? This technological process

07 10:17:57 technological and mechanical subject?

08 10:18:01 A. I think yesterday I already clarified I'm not part of

09 10:18:05 this matter.

10 10:18:07 **3 Q. Are you aware that the designs and drawings which were**

11 10:18:12 **done with the issuer approved by respondent number 1**

12 10:18:20 **and/or Mecon?**

13 10:18:26 A. Now, yes, but not before that. We simply asked for

14 10:18:33 cost estimation of the plant, starting from source of

15 10:18:37 cost estimation.

16 10:18:40 **4 Q. I'm inviting your attention to bundle E54, page 104,**

17 10:18:47 **clause 2.1.4.2.2 of the technical specifications.**

18 10:18:58 **My simple question to you is: does the saw**

19 10:19:02 **metallic disk also mean the cold saw?**

20 10:19:12 A. Yes, yes.

21 10:19:23 **5 Q. Is it to your knowledge whether there was any**

22 10:19:26 **deficiency in the cold saw machine provided by the**

23 10:19:32 **claimant?**

24 10:19:38 A. Actually, I came to know from just few days

25 10:19:44 deliberation and going through this thing, but before

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01 10:19:46 estimation, I was not aware.

02 10:19:50 **6 Q. Since you have said that you are now aware of the**

03 10:19:52 **process for the last 10 years or so --**

04 10:19:56 A. In particular, this machine is the one we were using

05 10:19:57 at the time of -- (overspeaking) --

06 10:20:00 **CHAIRMAN:** Can you wait, please, until he's asked the

07 10:20:02 full question. Then you get your turn to answer the

08 10:20:04 question.

09 10:20:05 **WITNESS:** Okay.

10 10:20:06 **MR SPRANGE:** Would it be correct to say that the cold saw

11 10:20:09 process includes the operation of the three cold saw

12 10:20:13 machines, including upper and lower pressing devices,

13 10:20:19 lateral pressing devices, roller tables and stopper?

14 10:20:23 A. Yeah. That is part of the process.

15 10:20:33 **7 Q. Are you aware that the design of the upper and lower**

16 10:20:38 **pressing devices, lateral pressing devices, roller**

17 10:20:42 **tables and stopper were approved by respondent**

18 10:20:48 **number 1?**

19 10:20:53 A. Not aware.

20 10:20:58 **8 Q. Is it correct that the layout of the cold saw area and**

21 10:21:02 **the handling area was approved by respondent number 1?**

22 10:21:08 A. I'm not aware about this approval process.

23 10:21:11 **9 Q. I'm now inviting your attention to exhibit E61-63.**

24 10:21:41 **Are you aware that after the correction or after**

25 10:21:48 **the error was pointed out in the computation made by**

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01 10:21:51 the experts in their first report, in the rebuttal

02 10:21:57 report, the experts appointed by LSI agreed that the

03 10:22:05 capacity of the rolling mill was 9 lakh, 37,000 tonnes

04 10:22:12 per annum? Are you aware of this?

05 10:22:20 A. After discussion, no, no.

06 10:22:24 **10 Q. Now I invite your attention to bundle E61, page 64.**

07 10:22:42 **From the table, can you confirm that this cyclic**

08 10:22:45 **time for all the 22 sections mentioned in this table**

09 10:22:49 **is exactly the same?**

10 10:22:54 A. I'm not aware. This very process is very important to

11 10:22:56 the mechanical subject, highly process mechanical

12 10:23:02 related subject.

13 10:23:05 **11 Q. So your proficiency or your expertise or your**

14 10:23:08 **experience in the mechanical field does not pertain**

15 10:23:10 **to this?**

16 10:23:12 A. No, it's more like -- (overspeaking) -- sorry, this is

17 10:23:14 the process.

18 10:23:14 **12 Q. In the last 10 years, your expertise does not pertain**

19 10:23:18 **to this topic?**

20 10:23:19 A. No.

21 10:23:20 **13 Q. Okay. Would it be correct that you would not be able**

22 10:23:25 **to answer anything on this table?**

23 10:23:27 A. No.

24 10:23:37 **14 Q. Would it be correct to say that the recording made in**

25 10:23:42 **these tables was based on observations made in the**

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- 01 10:23:47 field? Are you aware of this?
- 02 10:23:55 A. Sometimes it is witnessed by all parties. I have come
- 03 10:24:01 across this type of table, came across -- actually,
- 04 10:24:04 I was part of the team, and I have seen this type of
- 05 10:24:08 table the product makes which is coming out and
- 06 10:24:12 witnessed, whatever things are coming out, what the
- 07 10:24:15 time span was.
- 08 10:24:18 **15 Q. Would you agree from your experience only, would you**
- 09 10:24:26 **agree in this cyclic time of different sections cannot**
- 10 10:24:29 **be the same?**
- 11 10:24:31 A. Yes.
- 12 10:25:02 **16 Q. Is it correct that the claim made by respondent**
- 13 10:25:06 **number 1 in the present arbitration proceedings for**
- 14 10:25:09 **setting up a new mill was based on the calculation**
- 15 10:25:14 **made by you?**
- 16 10:25:22 A. Yes.
- 17 10:25:29 **17 Q. I have just pointed out to you that based on the**
- 18 10:25:34 **expert report of the claimants' witness Mr Ilan Govan,**
- 19 10:25:40 **certain changes had been made by the LSI experts in**
- 20 10:25:44 **their rebuttal report and as per those changes, the**
- 21 10:25:47 **production capacity had been increased? Were you made**
- 22 10:25:54 **aware of this or not?**
- 23 10:25:59 A. Not preparing this cost estimation, no. But during
- 24 10:26:04 this hearing process, I came to know, yes.
- 25 10:26:08 **18 Q. Would it be correct to say that if the production**
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01 10:26:11 capacity was shown to have increased from 7 lakh,  
02 10:26:15 20,000 TPA to 9 lakh, 37,000 TPA, the counterclaim  
03 10:26:22 amount would also be required to be amended?  
04 10:26:34 A. I should not comment on this thing. Because it's  
05 10:26:40 different perspective. Lots of perspectives are  
06 10:26:42 there.

07 10:26:44 **19 Q. I'm now inviting your attention to bundle L32,**  
08 10:26:48 **page 66, serial number 4. The heading is:**  
09 10:27:08 **"Source of cost estimation."**  
10 10:27:10 **Is that correct?**  
11 10:27:11 A. Yeah.

12 10:27:11 **20 Q. My question to you is --**  
13 10:27:14 **CHAIRMAN: I think you just need the page to go down.**  
14 10:27:16 **It's heading number 4.**  
15 10:27:19 **MR SPRANGE: Yes, this paragraph.**  
16 10:27:21 **My question to you is has the cost estimate report**  
17 10:27:26 **been placed on the record of the arbitral tribunal**  
18 10:27:29 **which is mentioned in this paragraph?**  
19 10:27:36 A. This is reflected.

20 10:27:38 **21 Q. No, sir. My question is from the documents on the**  
21 10:27:40 **record of the honourable arbitral tribunal. Can we**  
22 10:27:43 **find the cost estimation report anywhere?**  
23 10:27:52 A. I've not gone through the entire document, but the  
24 10:27:54 part of this document which is relevant to my  
25 10:27:56 understanding of this matter is that portion on the

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01 10:28:01 screen now.

02 10:28:01 **22 Q. Is it also correct that all the calculations that you**

03 10:28:04 **have made in the report are based only on this cost**

04 10:28:08 **estimate report?**

05 10:28:17 A. Actually, cost estimate report I have prepared the

06 10:28:21 estimation purpose, estimation up to 26 times on this

07 10:28:25 table 24.

08 10:28:26 **23 Q. Yeah, that's what I'm asking.**

09 10:28:29 A. That I have prepared.

10 10:28:30 **24 Q. Based on that cost estimate report, and you're not**

11 10:28:33 **aware whether it is on the record of the tribunal or**

12 10:28:35 **not. You're not aware of this?**

13 10:28:37 A. At the time I'm not aware, but I find now it is

14 10:28:41 relevant. It's okay. I'm not aware.

15 10:28:45 **25 Q. Was the said cost estimate report made a part of the**

16 10:28:50 **report of the LSI experts?**

17 10:28:54 A. Yes.

18 10:28:55 **26 Q. You have got the report of the LSI expert with you?**

19 10:28:59 **You have got that report with you?**

20 10:29:01 A. Yeah.

21 10:29:01 **27 Q. Can you see the index and point out under which**

22 10:29:04 **attachment or heading can we see this cost estimate**

23 10:29:08 **report? Just see the index of this document or even**

24 10:29:12 **the rebuttal report, both of them will show it.**

25 10:30:19 **It is covered under 7.1.6, under the heading,**

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01 10:30:20 "Capex Required". This is the capex that was  
02 10:30:24 required.

03 10:30:26 **28 Q. Which report are you seeing, sir?**  
04 10:30:45 A. Which paragraph it is? (Pause).

05 10:30:57 **29 Q. Is it your case that your report is a part of the**  
06 10:31:00 **summary of deficiencies and capex required?**  
07 10:31:04 A. Yes, yes.

08 10:31:06 **30 Q. This is exactly what I had shown you in the report,**  
09 10:31:09 **this paragraph.**  
10 10:31:10 A. Yeah.

11 10:31:10 **31 Q. But you said that you're not aware whether the cost**  
12 10:31:12 **estimate report is there or not. That is why**  
13 10:31:14 **I requested you to see the index, and in the index**  
14 10:31:17 **also you are referring me back to the same paragraph.**  
15 10:31:19 **My simple question is can you show in the index or no?**  
16 10:31:23 A. Yes.

17 10:31:23 **32 Q. It's there. Your answer is it is there?**  
18 10:31:25 A. Yeah.

19 10:31:26 **PROF THAKUR:** No more questions.

20 10:31:31 **CHAIRMAN:** I think you might need to shuffle over, if you  
21 10:31:35 don't mind. We just have to move people around,  
22 10:31:39 because Mr Anglia is now going to ask you some  
23 10:31:41 questions, I assume.  
24 10:31:43 Mr Anglia? Of course.

25 10:31:53 **MS BAJAJ:** I'm ready, madam.

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01 10:31:55 Cross-examination by MS BAJAJ

02 10:33:27 **MS BAJAJ:** Good morning to you, Mr Paul.

03 10:33:28 You're aware that you're under an oath to tell

04 10:33:31 the truth?

05 10:33:32 A. Yeah.

06 10:33:33 **33 Q. How is your health -- off the record.**

07 10:33:35 A. It's okay.

08 10:33:36 **34 Q. You're okay?**

09 10:33:39 **Mr Paul, I'm also equally confused which part of**

10 10:33:43 **this report is yours and which part is not yours. So**

11 10:33:47 **let me ask certain basic questions.**

12 10:33:49 **Let us start with L31-1.**

13 10:34:00 **Mr Paul, presently I'm concerned with this report.**

14 10:34:04 **Can you clarify? Are you a co-author of this report?**

15 10:34:13 **Part of this report are certain portion, cost**

16 10:34:18 **estimation part is written by me.**

17 10:34:23 **35 Q. I then take it that in relation to such part of the**

18 10:34:26 **report which includes your inputs, you are co-author**

19 10:34:33 **in that sense, correct? What is the date of this**

20 10:34:35 **report, Mr Paul?**

21 10:34:38 **CHAIRMAN: Sorry just to stop you for a moment. Did you**

22 10:34:40 **agree with Mr Anglia's last question? Did you say**

23 10:34:42 **"yes"?**

24 10:34:43 A. Yes.

25 10:34:43 **CHAIRMAN:** Because the transcript only recorded "mm-hmm",

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- 01 10:34:45 so you need to say "yes" if the answer is yes, "no" if
- 02 10:34:48 the answer is no.
- 03 10:34:50 A. Yes.
- 04 10:34:50 **CHAIRMAN:** Do you understand? I'm sorry for
- 05 10:34:51 interrupting.
- 06 10:34:52 **MS BAJAJ:** I'm obliged, my Lord.
- 07 10:34:54 A. Thank you.
- 08 10:34:55 **36 Q. Can you, Mr Paul, tell what is the date of this**
- 09 10:34:58 **report?**
- 10 10:35:00 A. I prepared this report in July 2023 some time.
- 11 10:35:09 **37 Q. I was wanting the specific date, Mr Paul.**
- 12 10:35:16 A. Specific date is very difficult to remember, but
- 13 10:35:19 I think before 15 or 17 July, something like
- 14 10:35:25 that, 2023.
- 15 10:35:31 **38 Q. The input report that you gave to IDPI Capital was**
- 16 10:35:38 **signed by you?**
- 17 10:35:45 A. I have given a report, my name, that was signed
- 18 10:35:50 definitely signed by me to them, to LSI.
- 19 10:35:57 **39 Q. Mr Paul, this report is from IDPI Capital Market?**
- 20 10:36:01 A. Yeah.
- 21 10:36:01 **40 Q. So can you clarify, when you take LSI, whether IDPI**
- 22 10:36:09 **Capital Market appointed you or LSI appointed you?**
- 23 10:36:12 A. LSI.
- 24 10:36:15 **41 Q. At the same time, you agree that you're a co-author of**
- 25 10:36:26 **this report which is by IDPI Capital Markets?**
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- 01 10:36:32 A. The content of certain portions of the report, that
- 02 10:36:35 estimation purpose, is from taken from my report. It
- 03 10:36:42 is reflecting here.
- 04 10:36:44 **42 Q. Did you at any time gave any written consent to IDPI**
- 05 10:36:49 **Capital Market to borrow inputs from your report?**
- 06 10:36:52 A. I have given my consent to LSI to give it to concerned
- 07 10:37:04 parties, that is IDPI or DSB to give this report.
- 08 10:37:11 **43 Q. Is that consent that you're talking about is available**
- 09 10:37:14 **on the records of the arbitral tribunal?**
- 10 10:37:20 A. I'm not aware.
- 11 10:37:23 **44 Q. You have not been able to specify specifically state**
- 12 10:37:27 **the exact date of July 2023 for this report, is that**
- 13 10:37:32 **correct?**
- 14 10:37:34 A. Yes.
- 15 10:37:39 **45 Q. I need to know which part of the report you are able**
- 16 10:37:42 **to depose before this honourable --**
- 17 10:37:46 A. L32/66.
- 18 10:37:53 **46 Q. Let us come to 32. You say 32/66, is it correct?**
- 19 10:38:04 A. Yes, sir.
- 20 10:38:05 **47 Q. So 32/66 is paragraph 4 of the report?**
- 21 10:38:09 A. Yes.
- 22 10:38:10 **48 Q. So you have been able to depose on paragraph 4 of the**
- 23 10:38:12 **report; correct?**
- 24 10:38:13 A. Yes, sir.
- 25 10:38:15 **49 Q. Now, how about paragraph 5 of the report? Are you**
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01 10:38:19 able to depose on that?

02 10:38:22 A. Yes, sir.

03 10:38:27 **50 Q. In paragraph 5 of your report, you have made certain**

04 10:38:31 **cost estimations?**

05 10:38:32 A. Yes.

06 10:38:34 **51 Q. In support of those cost estimations, did you bring to**

07 10:38:38 **the court and attached to your report any market**

08 10:38:42 **quotations, price evaluations, any market information**

09 10:38:47 **which will justify or prove those data and information**

10 10:38:51 **about the prices and values?**

11 10:38:55 A. No, sir. Everything was available. It is just from

12 10:38:58 our experience, whatever gather over the years from

13 10:39:08 that I have generated this report.

14 10:39:12 **52 Q. Do you agree that price is a dynamic factor --**

15 10:39:17 A. Yes.

16 10:39:18 **53 Q. -- which changes from day to day?**

17 10:39:19 A. Yes.

18 10:39:20 **CHAIRMAN:** Please wait until he's finished the whole

19 10:39:22 question.

20 10:39:23 But you agree with his whole question.

21 10:39:25 A. Yes.

22 10:39:26 **CHAIRMAN:** Thank you.

23 10:39:28 **MS BAJAJ:** Is it therefore not correct that whatever be

24 10:39:30 your experience about prices, it becomes obsolete in

25 10:39:34 view of the dynamic nature of prices?

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01 10:39:37 A. These estimations done in the month of July 2023 are

02 10:39:44 questioning the matters in June 2023.

03 10:39:50 **54 Q. But you agree with me that in support of your claim**

04 10:39:54 **that these are based on prices of June 2023, you have**

05 10:39:59 **not brought any document on record to show that in any**

06 10:40:05 **of the publicly available information or public**

07 10:40:09 **domain, these prices are reflected, like MCX or any**

08 10:40:13 **other, this thing which quotes the prices?**

09 10:40:17 **A. These documents are available:**

10 10:40:19 "This information is available as raw material,

11 10:40:22 steel price and all these are available at different

12 10:40:26 government websites."

13 10:40:29 There's a portal where all these things are

14 10:40:32 available.

15 10:40:35 Also as per the WPI wholesale price index of RBI

16 10:40:41 guidelines, based on that.

17 10:40:44 **55 Q. Mr Paul, we are talking about a price prevailing on**

18 10:40:47 **a particular date. How does --**

19 10:40:51 A. But how --

20 10:40:52 **56 Q. Please allow me to complete.**

21 10:40:54 A. Sorry. Sorry.

22 10:40:55 **57 Q. How does WPI at all influence the price of**

23 10:41:00 **a particular day which we're now quoting about the RBI**

24 10:41:04 **index?**

25 10:41:07 A. Sorry, answer?

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- 01 10:41:09 **58 Q. My question is you just now said that you have adopted**
- 02 10:41:13 **WPI index, RBI index, blah, blah, blah, for taking**
- 03 10:41:18 **a particular model in the market police. How does,**
- 04 10:41:21 **from your experience of what you know the price is**
- 05 10:41:25 **from years of experience, that WPI affects or**
- 06 10:41:30 **influences price of a commodity on a particular day?**
- 07 10:41:38 A. Should I answer, sir?
- 08 10:41:40 **CHAIRMAN:** Yes, please answer.
- 09 10:41:42 **MS BAJAJ:** When I stop, you can kindly answer.
- 10 10:41:45 A. First, commodity price on the particular date at the
- 11 10:41:48 end of June 2023. WPI index used for the effort and
- 12 10:41:58 the input labour cost or a cost, the enhancement
- 13 10:42:05 price.
- 14 10:42:06 The commodity price, the raw material price -- at
- 15 10:42:09 that point of time, the steel price considered from
- 16 10:42:12 that day, end of June 2023.
- 17 10:42:21 **59 Q. I was asking questions only on commodity prices and**
- 18 10:42:24 **not WPI in relation to labour and all those things.**
- 19 10:42:28 **So you agree that WPI has got no connection with the**
- 20 10:42:32 **price of a commodity on a particular date? Do you**
- 21 10:42:35 **agree with me? Commodity I'm talking about.**
- 22 10:42:40 A. Correct, yes.
- 23 10:42:48 **60 Q. You also agree that though you claim that you have**
- 24 10:42:51 **taken June to end prices, you have not brought on what**
- 25 10:42:59 **were taken by you are still the prices at the end**
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01 10:43:04 of June?

02 10:43:08 A. Yes.

03 10:43:09 **61 Q. Mr Paul, while deposing before in cross-examination of**

04 10:43:16 **my learned friend earlier, you said that from your**

05 10:43:18 **experience, you have not come across any similar mill**

06 10:43:23 **to be established with a less than capacity of less**

07 10:43:27 **than 0.45 million tonnes per annum. Is it correct?**

08 10:43:32 A. Of this nature? No. But some bar mill, small, small

09 10:43:37 bar mill which is around 0.3 million tonnes mill,

10 10:43:42 I have seen I came across.

11 10:43:45 **62 Q. Can I suggest to you that this fact that there cannot**

12 10:43:50 **be any economic size below 0.45 million metric tonnes**

13 10:43:54 **is also from your experience and not through any**

14 10:43:57 **document brought on record?**

15 10:44:02 A. Pardon me? One second.

16 10:44:04 **63 Q. Sure. I'll explain.**

17 10:44:07 **I am suggesting you that this particular**

18 10:44:12 **proposition that a mill, a similar nature mill cannot**

19 10:44:16 **be economically viable if it is less than 0.45 million**

20 10:44:20 **metric tonnes per annum, is also from out of your**

21 10:44:24 **experiences and not bringing on record any study or**

22 10:44:27 **any authentic document to support that claim.**

23 10:44:33 **Do you understand? I need further explanation,**

24 10:44:35 **Mr Paul.**

25 10:44:35 A. Actually, no. I've never come across less than this

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- 01 10:44:40 capacity of this similar type of plant.
- 02 10:44:45 **CHAIRMAN:** What he's asking you is that suggestion that
- 03 10:44:48 there would not be a plant below 0.45, is that based
- 04 10:44:52 on your experience or is that based on some kind of
- 05 10:44:56 document that we can look at on the record? Why do
- 06 10:45:00 you say that?
- 07 10:45:03 A. No record I have seen, never came across, but I've
- 08 10:45:08 seen a plant which was established -- set up almost
- 09 10:45:14 40 years back or 50 years back. Those plants no more
- 10 10:45:20 exist, but some components are used in different
- 11 10:45:24 purposes.
- 12 10:45:24 **CHAIRMAN:** So is it fair to say, then, that it's based on
- 13 10:45:27 your own experience?
- 14 10:45:28 A. Yeah.
- 15 10:45:29 **CHAIRMAN:** Thank you.
- 16 10:45:32 **MS BAJAJ:** Mr Paul, when you say that a mill of a less
- 17 10:45:38 than capacity of 0.45 million tonnes per annum is not
- 18 10:45:42 viable, on a similar vein, you suggest that the
- 19 10:45:47 respondent number 1 can have a mill of 0.25 million
- 20 10:45:52 tonnes per annum at a cost that you have estimated.
- 21 10:45:56 Is it not contradictory to your own proposition?
- 22 10:46:03 A. I was asked for an estimation of a 0.28 MTPA plant.
- 23 10:46:12 I said it does not exist.
- 24 10:47:24 (10.47 am)
- 25 10:47:24 (The hearing adjourned until 10 am on the following day)
-