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

CNR No. DLHC014215852018

+ **FAO 533/2018 & CM APPL. 47811/2018**

M/S SUNNY SANITATIONS Appellant

Through: Mr. Sachin Dev Sharma and Mr.
Kapil Pandey, Advocates

versus

NBCC (INDIA) LTD Respondent

Through: Mr. Anish Chawla and Mr. Abhinav
Kumar, Advocates

CORAM:

HON'BLE MR. JUSTICE MANOJ KUMAR OHRI

ORDER

% **19.08.2026**

1. The present appeal has been filed under Section 37(1)(c) of the Arbitration and Conciliation Act, 1996 (A&C Act) against the judgment dated 17.09.2018 passed by the learned District and Sessions Judge, whereby the objections filed by the appellant against the arbitral award dated 23.06.2016 were dismissed and the award was upheld.

2. Briefly, the appellant, who was the claimant before the Arbitral Tribunal, filed a claim in the context of Work Order No. 25413, under which it was engaged for carrying out providing and fixing of Dholpur Stone Cladding Work at the construction of the telephone exchange building at Plot No. 3, Sector-3, Rohini, Delhi. The appellant claimed that it had completed the work and that the 12th and final RA bill dated 20.06.2001 was raised for a total amount of Rs.4,98,838/-. The appellant raised various claims in respect of the said final bill. The learned Arbitrator, while partially allowing the claims, awarded a sum of Rs.2,23,828/- with simple interest at the rate of 8% per annum. While the respondent did not challenge the award,



the appellant thereafter filed objections under Section 34 of the A&C Act against rejection of certain claims.

3. Learned counsel for the appellant contends that both the learned Arbitrator as well as the learned District Judge erred in reaching a conclusion that the appellant had accepted the final bill without any protest. He submits that, in the measurement book, the appellant had accepted the bill under protest and that an endorsement to that effect was made in the measurement book. It is further submitted that, apart from the aforesaid challenge, no other challenge was made to the impugned award.

4. Learned counsel for the respondent, however, submits that the measurement book was produced before the learned Arbitrator as well as before the Court hearing the objections under Section 34. Upon physical examination of the original record, it was found that, in respect of the final RA bill, the appellant had accepted the amount without any protest. The endorsement “under protest” in the measurement book was subsequently added in a different ink. It is further pointed out that, insofar as the contention relating to non-grant of an opportunity to lead oral evidence is concerned, the appellant itself had preferred an application seeking closure of the arbitral proceedings on the basis of the documents already placed on record.

5. Having heard learned counsel for the parties and perused the records, this Court, before proceeding further, takes note of the scope of interference under Section 37 of the A&C Act. In the present case, the learned District Judge, while dismissing the objections, categorically noted that the original measurement book had been called for and inspected. The learned District Judge found that the endorsement “bill accepted” and the signatures



underneath were in one pen, whereas the endorsement “under protest” had subsequently been added in a different pen. The relevant page of the measurement book is also on record before this Court, and in fact, the endorsement “under protest” appears to be in an altogether different handwriting. The conclusion arrived at by learned District Judge rightly cannot be said to be arbitrary or manifestly perverse. This finding calls for no interference.

6. This Court also takes note of the scope of interference under Section 37 of the A&C Act. The jurisdiction of this Court under Section 37 of the A&C Act is limited in scope. In *State of Jharkhand v. HSS Integrated Sdn*¹, the Supreme Court has held that interference with an arbitral award in proceedings under Sections 34 and 37 of the A&C Act is warranted only where the findings are perverse, contrary to the evidence on record or otherwise fall within the grounds specified under Section 34 of the A&C Act. Further, in *MMTC Limited v. Vedanta Limited*², the Supreme Court has reiterated that the scope of interference under Section 37 cannot travel beyond the restrictions imposed under Section 34 and that the Court cannot undertake an independent assessment of the merits of the award. Thus, where the view taken by the Arbitral Tribunal is a plausible view based on the material placed before it, the same does not warrant interference in exercise of the limited appellate jurisdiction under Section 37 of the A&C Act.

7. Accordingly, the appeal stands dismissed.

MANOJ KUMAR OHRI, J

AUGUST 19, 2026/sn

¹ (2019) 9 SCC 798

² (2019) 4 SCC 163