

**IN THE HIGH COURT OF PUNJAB AND HARYANA AT
CHANDIGARH**

CR No. 4430 of 2004 (O&M)

Date of decision: September 16, 2015

State of Punjab and others

...Petitioners

Versus

M/s Oriental Architectonics Limited

...Respondent

CORAM:- HON'BLE MR. JUSTICE K. KANNAN

1. **Whether Reporters of local papers may be allowed to see the judgment ?**
2. **To be referred to the Reporters or not ?**
3. **Whether the judgment should be reported in the Digest?**

Present: Mr. Kamal Sehgal, Advocate,
for the petitioners.

Mr. VK Sachdeva, Advocate,
for the respondent.

K. KANNAN, J. (Oral)

1. That point that was canvassed for admission, as noted down by this court, was on the issue on compound interest as awarded by the Arbitrator. The view expressed by a two member Bench of the Supreme Court in the State of Haryana and others Vs. S.L. Arora and Company 2010 (3) SCC 690 was brought for specific consideration before the three member Bench of the Supreme Court and by majority of 2:1, it has been held that the law laid down in S.L. Arora's case (supra) is not good law. The three member Bench of the Supreme Court has in M/s Hyder Consulting (UK) Limited Versus Governor, State of Orissa through Chief Engineer 2015 (1) RCR (Civil) 165 held that the power to grant interest by the arbitrator must

be taken as sum determined on the amount assessed which would include interest and, therefore, a power to award compound interest also must be taken as impliedly available to the Arbitrator. This decision has been rendered under the Arbitration and Conciliation Act, 1996. This judgment actually relies on two earlier judgments of the Supreme Court rendered in Oil and Natural Gas Commission V. M.C. Clelland Engineers S.A., (1994) 4 SCC 327 and Uttar Pradesh Cooperative Federation Limited v. Three Circles, 2009 (4) R.C.R. (Civil) 546 which were decided under the Arbitration Act, 1940

2. Since the matter is squarely covered against the point raised by the revision petitioner, the revision petition is dismissed.

September 16, 2015
prem

(K.KANNAN)
JUDGE