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

**FAO-94-1988****Date of decision : 11.05.2016**

Punjab State Seeds Corporation Ltd.

... Appellant

Versus

M/s Tibco Enterprises and another

... Respondents

**CORAM: HON'BLE MR. JUSTICE AMIT RAWAL**

Present: Mr. Arun Nehra, Advocate  
for the appellant.

Mr. Kushagra Mahajan, Advocate  
for the respondents.

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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?

**AMIT RAWAL, J. (ORAL)**

The appellant-Punjab State Seeds Corporation Ltd. is aggrieved of the dismissal of the objections filed under Sections 14 and 17 of the Arbitration and Conciliation Act, 1940 (hereinafter called 'the 1940 Act') seeking setting aside of the Award dated 27.04.1987.

The appeal was admitted vide order dated 06.05.1988 which reads thus:-

“Present:- Mr. Arun Nehra, Advocate.

Heard. Admitted. Records.

In so far as payment of future interest is concerned,  
the same is stayed till further orders”.

There was no stay with regard to the execution of the Award except qua future interest which was @ 6% only.

Mr. Arun Nehra, learned counsel appearing on behalf of the appellant submits that the Arbitrator misconducted, much less, the Award is lacking reasons. Future interest @ 6% without there being any terms and conditions, could not have been granted, but the Objecting Court has dismissed the objections in a most fallacious and unreasonable manner and therefore, the impugned order as well as the Award are liable to be set aside.

Mr. Kushagra Mahajan, learned counsel appearing on behalf of the respondents submits that the appellant has miserably failed to prove on record as to how the award was suffering from any of the grounds mentioned in Section 30 of the 1940 Act. The parameters of objections under Section 30 of the 1940 Act are very limited and rightly so, the objections have been dismissed, thus, urges this Court for affirming the findings under challenge.

I have heard the learned counsel for the parties and appraised the paper book and of the view that except for the payment of future interest, there was no stay and by this time, award must have been executed, if not, limitation to seek the execution has already expired. Section 30 of the 1940 Act reveals the grounds for setting aside of the Award, which reads thus:-

**"30. Grounds for setting aside award:**

An award shall not be set aside except on one or more of the following grounds, namely :-

- (a) that an arbitrator or umpire has misconducted himself or the proceedings;
- (b) that an award has been made after the issue of an order by the Court superseding the arbitration or after arbitration proceedings have become invalid under section 35; and

(c) that an award has been improperly procured or is otherwise invalid.”

In my view, none of the objections were not falling within the aforementioned provisions, the Objecting Court has rightly been dismissed the objections. Even the awarding of future interest @ 6% is too meagre. The contract was with regard to the commercial transaction, therefore, the future interest @ 6% cannot be said to be phenomenal high.

For the foregoing reasons, no ground is made for interference in the findings, under challenge and accordingly, the appeal is dismissed and the Award of the Arbitrator is affirmed.

However, the claimant shall not be debarred from claiming the interest as there was a stay granted by this Court.

**11.05.2016**  
yogesh

**( AMIT RAWAL )**  
**JUDGE**