

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

FAO No.6970 of 2011 (O&M)  
Date of decision : 28.01.2016

M/s Satguru Flour Mills, Amritsar Road

...Appellant

Versus

Punjab Agro Industries Corporation Ltd. and another

...Respondents

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

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

Present: Mr. Akshay Bhan, Sr. Advocate with  
Mr. Santosh Sharma, Advocate for appellant.

Mr. Arun Nehra, Advocate for respondent No.1.

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

The appellant is aggrieved of the order dated 20.08.2011, whereby objections filed under Section 34 of the Arbitration and Conciliation Act, 1996 for setting aside the award dated 22.11.2006, has been dismissed.

Mr. Akshay Bhan, learned Sr. Counsel assisted by Mr. Santosh Sharma, learned counsel appearing on behalf of appellant submits that award did not conform to the procedure prescribed under the 1996 Act inasmuch as that Arbitrator had not taken into consideration the fact that

Miller had purchased the balance rice on re-auction on 24.03.2004 as the dispute pertains to the crop year 2000-01 in respect of contract dated 23.11.2000 entered into between the parties. The aforementioned rice ought to have been adjusted. Since, the aforementioned fact was not noticed, it has seriously objected to by raising objections, but the Objecting Court found that objections were not within the parameters of Section 34 and dismissed the objection petition.

Mr. Arun Nehra, learned counsel appearing on behalf of Punjab Agro submits that objections have rightly been dismissed as they were not falling within the parameters of Section 34. The scope of interference is limited, inasmuch as none of the grounds of objections were falling within the provision of Section 34 of the Act.

I have heard learned counsel for parties and appraised the paper book and of the view that appeal deserves to be dismissed on the following reasons:-

The award dated 22.11.2006 is based upon appreciation of oral and documentary evidence brought on record. The miller had appropriate opportunity to produce everything on record to show that any delay in delivery of the rice was attributed to the respondent or not. Since, the contract aforementioned envisaged resolution of dispute through arbitration, the claim was filed in July 2004 for not supplying rice on time. The arbitrator being a technical person has taken into consideration all the aspects and gave award strictly within the provision of 1996 Act.

It is now a settled law that as to under what circumstances the award has to be interfered with. The question which has now been raised in

the aforementioned appeal has already been answered by the Hon'ble Supreme Court in catena of judgments, wherein, it has been laid down that until and unless the award suffers from illegality or for want of reasons as statutorily prescribed under Section 31 (3) of the Act, the same cannot be interfered with. In this context I intend to refer the judgments of Hon'ble Supreme Court in **Associate Builders Vs. Delhi Development Authority (2015) 3 SCC 49** and **Navodaya Mass Entertainment Ltd. Vs. J. M. Combines (2015) 5 SCC 698.** In the aforementioned judgment the Hon'ble Supreme Court had culled out the ratio decidendi by holding that until and unless there is error apparent on the face of record or the arbitrator has not followed statutory legal position, it is only in these circumstances it would be justified interfering with the award. The High Court should not act as a Court of appeal and reappraise the material/evidence and embarked on a path by substitution in its own view. It is not the case of the appellant that the award is against the public policy or has violated the principles of judicial approach, much less against the statute and other provisions of Section 34 of the Act.

The award read as a whole is just, fair and reasonable. It is now a settled law that the Arbitrator or Committee is the sole judge of quality and quantity of the evidence before him and decide on the basis of the available evidence.

Appeal is accordingly, dismissed.

**28.01.2016**

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**(AMIT RAWAL)  
JUDGE**