

IN THE HIGH COURT OF PUNJAB & HARYANA, CHANDIGARH

FAO No. 1334 of 2014(O&M)
Date of decision : April 28, 2016

State of Haryana and another

..... Appellants

Versus

Suman Goel and another

..... Respondents

CORAM: HON'BLE MR. JUSTICE AMIT RAWAL

Present:- Mr. Anil Kumar Yadav, Additional Advocate
General, Haryana for the appellants.

Mr. Parveen Gupta, Advocate
for respondent No.1.

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).
CM No.4549-CII of 2014

This is an application under Section 5 of the Limitation Act seeking condonation of delay in filing the appeal.

For the reasons stated in the application, which is duly supported by an affidavit, delay of 83 days in filing the appeal is condoned.

The application stands disposed of.

FAO No. 1334 of 2014(O&M)

This Court while issuing notice of motion confined

the adjudication of the lis qua imposition of costs of ₹50,000/-. The interest beyond 8.25% was stayed.

Learned Additional Advocate General, Haryana submits that the arbitrator vide award imposed costs of ₹50,000/- and interest @ 12% per annum which is highly exorbitant. No doubt, the terms and conditions of the settlement between the parties envisage awarding of interest but interest @ 12% is exorbitant, thus, urges this Court for setting aside of the aforementioned costs and modification of interest at a lesser rate i.e. 8.25% per annum.

Mr. Parveen Gupta, learned counsel appearing on behalf of respondent No.1 submits that in pursuance to the work being allotted to respondents, the respondents had prepared a Beatacam Forman cassette for the promotion of Information and Technology sector but despite that appellants withheld the payment. Noticing all these factors, the arbitrator imposed costs and, thus prays for increase of interest from 12% to 18% as per provisions of Section 31(7) of Arbitration and Conciliation Act, 1996.

I have heard learned counsel for the parties, appraised the paper book and of the view that the arbitrator has jurisdiction to award the interest. Though, it has awarded at 12% per annum whereas as per provisions of Section 31(7) the arbitrator is empowered to grant interest upto 18% per annum, thus awarding of interest @ 12% per annum is justified. As regards imposition of costs to the tune of ₹50,000/-, all these factors have been taken into consideration by the arbitrator, therefore, there is no ground to

interfere with the award.

Accordingly the appeal is dismissed.

(AMIT RAWAL)
JUDGE

April 28 , 2016
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