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

+ **EFA (OS) 12/2014**

DIRECTOR GENERAL OF PRISONS & ANR Appellants

versus

M/S JAGDAMBA SALES CORPORATION Respondent

EFA (OS) 13/2014

DIRECTOR GENERAL OF PRISONS & ANR Appellants

versus

M/S P A SALES CORPORATION Respondent

Present: Mr. Naushad Ahmed Khan, Addl. Standing Counsel,
GNCTD (Civil), Advocate for appellants.
Mr. K.G. Sharma, Advocate for respondent in EFA(OS)
13/2014.

CORAM:

HON'BLE MR. JUSTICE S. RAVINDRA BHAT

HON'BLE MS. JUSTICE DEEPA SHARMA

ORDER

% **15.01.2016**

The limited grievance in these appeals is with respect to the post awarded interest. The Arbitral Tribunal had directed payment of amounts forfeited by the appellant. The Tribunal, however, did not award any pre award interest. In these circumstances, at the stage of execution, learned Single Judge directed the payment in conformity with Section 31 (7) (b) of the Arbitration and Conciliation Act, 1996 to pay post award interest at the statutory rate. The appellant claims to be aggrieved by this direction.

This Court is of the opinion that there is no merit in the appeals.

Firstly, the Statute, i.e., Section 31 (7) (b) is categorical that default interest, i.e., wherever the Arbitral Award is silent about post award interest, 18% must necessarily be paid. Secondly, the learned Single Judge followed the decision in the *State of Haryana v. S.L. Arora & Co.*, AIR 2010 SC 1511, which had clarified the law on this aspect.

For the above reasons, the appeals are dismissed.

S. RAVINDRA BHAT, J

DEEPA SHARMA, J

JANUARY 15, 2016

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