

\$~2

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

+ EFA(OS) 28/2016

UNION OF INDIA

..... Appellant

Represented by: Mr.R.V.Sinha, Advocate with
Mr.R.N.Singh, Advocate

versus

M/S HINDUSTAN PREFAB LTD

..... Respondent

Represented by: None

CORAM:

HON'BLE MR. JUSTICE PRADEEP NANDRAJOG

HON'BLE MR. JUSTICE YOGESH KHANNA

ORDER

% **11.11.2016**

CM No.41896/2016

Allowed subject to just exceptions.

CM No.41895/2016

For the reasons stated in the application delay of 10 days in filing the appeal is condoned.

The application is allowed.

EFA (OS) No.28/2016

1. Having heard learned counsel for the appellant we find no merit in the appeal for the reason the point urged concerning no liability in law fastened on the appellant to pay interest post award has rightly been negated by the learned Single Judge with reference to the decision of the Supreme Court reported as (2015) 2 SCC 189 *Hyder Consulting (UK) Limited vs. Governor*,

State of Orissa. Para 26 of the said decision has been quoted by the learned Single Judge in the impugned decision, and the ratio thereof that whereas pre-award interest is at the discretion of the Arbitral Tribunal, **post-award interest on the awarded sum is mandate of the statute** keeping in view the fact that clause (a) of sub-Section (7) of Section 31 of the Arbitration and Conciliation Act, 1996 deals with grant of pre-award interest and clause (b) thereof deals with grant of post-award interest. The learned Single Judge has rightly held that if the Arbitral Tribunal specifically deals with post-award interest payable from the date of award and in its discretion directs payment at a particular rate then said rate will prevail, and if the Arbitral Tribunal has not specifically dealt with post-award interest, and we use the expression used by the Supreme Court in the decision noted by the learned Single Judge *‘else the party will be entitled to claim post-award interest on the awarded sum at the statutory rate specified in clause (b) of Section 31(7) of the Act i.e. 18%’*.

2. The appeal is accordingly dismissed in limine without any order as to costs.

CM No.41894/2016

Dismissed as infructuous.

PRADEEP NANDRAJOG, J.

YOGESH KHANNA, J.

NOVEMBER 11, 2016

skb