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

+ **OMP (ENF.) (COMM.) 4/2024**

SHRI RAJ KUMAR TYAGI

.....Decree Holder

Through: **Mr. Sanjoy Bhaumik, Adv.**

versus

UNION OF INDIA CPWD AND ANR

.....Judgement Debtors

Through: **Mr. Sushil Kumar Pandey, SPC and
Mr. Vaibhav Soni, Advs.**

CORAM:

HON'BLE MR. JUSTICE PURUSHAINDR KUMAR KAURAV

ORDER

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07.04.2025

**EX.APPL.(OS) 1463/2024 (U/S 36 OF AC ACT BY DECREE HOLDER
FOR NON-COMPLIANCE OF ORDER DATED 09.07.2024)**

1. Mr. Sanjoy Bhaumik, learned counsel for the decree holder submits that a sum of Rs. 1,48,000,00/- has been paid by the judgment debtors and as per his calculations, a sum of Rs. 67,14,833/- is yet to be paid.
2. Learned counsel has placed on record the following calculation sheet:

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<i>Date of Award</i>	<i>31.05.2012</i>
<i>Awarded amount</i>	<i>Rs. 41,21,774/-</i>
<i>Arbitrator's Name</i>	<i>Retd. Justice Lokeshwar Prasad Delhi High Court</i>
<i>Interest @ 12% p.a. on Rs. 41,21,774/- to be charged from 13.07.2004 till 31.05.2012 presuit & pendente interest on</i>	<i>Rs. 38,98,633/-</i>



<i>principal amount Rs. 41,21,774/-</i>	
<i>Cost of arbitration</i>	<i>Rs. 4,50,000/-</i>
<i>Total sum of Rs. 41,21,774 + Rs. 38,98,663 + Rs. 4,50,000 due as on 31.05.2012 (A)</i>	<i>Rs. 84,70,407/-</i>
<i>Interest @ 12% p.a. from 01.06.2012 to 18.03.2025 on Rs. 84,70,4074/- (B)</i>	<i>Rs. 1,30,44,426/-</i>
<i>Amount received on 18.03.2025 (C)</i>	<i>Rs. 1,48,00,000</i>
<i>Balance amount as on 18.03.2025</i>	<i>(A)+ (B) – (C)</i> <i>Rs. 67,14,883/-</i>

”

3. He submits that the aforesaid calculation is based on the enunciation of the law laid down by the Supreme Court in the case of ***UHL Power Company Limited vs. State of Himachal Pradesh***, (2022) 4 SCC 116, relevant paragraphs reads as under;

“5. By now, the aforesaid aspect has been set at rest by a three-Judge Bench of this Court in *Hyder Consulting (UK) Ltd. v. State of Orissa* [*Hyder Consulting (UK) Ltd. v. State of Orissa*, (2015) 2 SCC 189 : (2015) 2 SCC (Civ) 38] , that has overruled the verdict in *S.L. Arora* [*State of Haryana v. S.L. Arora & Co.*, (2010) 3 SCC 690 : (2010) 1 SCC (Civ) 823] . The majority view is that post-award interest can be granted by an arbitrator on the interest amount awarded. Writing for the majority, Bobde, J. (as his Lordship then was) has held thus : (*Hyder Consulting case* [*Hyder Consulting (UK) Ltd. v. State of Orissa*, (2015) 2 SCC 189 : (2015) 2 SCC (Civ) 38] , SCC p. 204, para 21)

“21. In the result, I am of the view that *S.L. Arora case* [*State of Haryana v. S.L. Arora & Co.*, (2010) 3 SCC 690 : (2010) 1 SCC (Civ) 823] is wrongly decided in that it holds that a sum directed to be paid by an Arbitral Tribunal and the reference to the award on the substantive claim does not refer to interest pendente lite awarded on the “sum directed to be paid upon award” and that in the absence of any provision of interest upon interest in the contract, the Arbitral Tribunal does not have the power to award interest upon interest, or compound interest either for the pre-award period or for the post-



award period. Parliament has the undoubted power to legislate on the subject and provide that the Arbitral Tribunal may award interest on the sum directed to be paid by the award, meaning a sum inclusive of principal sum adjudged and the interest, and this has been done by Parliament in plain language.”

6. While giving a concurring opinion in the aforesaid case, Sapre, J. made the following pertinent observations : (Hyder Consulting case [Hyder Consulting (UK) Ltd. v. State of Orissa, (2015) 2 SCC 189 : (2015) 2 SCC (Civ) 38] , SCC p. 206, para 31)

“31. Coming now to the post-award interest. Section 31(7)(b) of the Act employs the words, ‘A sum directed to be paid by an arbitral award ...’. Clause (b) uses the words “arbitral award” and not the “Arbitral Tribunal”. The arbitral award as held above, is made in respect of a “sum” which includes the interest. It is, therefore, obvious that what carries under Section 31(7)(b) of the Act is the “sum directed to be paid by an arbitral award” and not any other amount much less by or under the name “interest”. In such situation it cannot be said that what is being granted under Section 31(7)(b) of the Act is “interest on interest”. Interest under clause (b) is granted on the “sum” directed to be paid by an arbitral award wherein the “sum” is nothing more than what is arrived at under clause (a).””

4. On the other hand, Mr. Sushil Kumar Pandey, learned counsel for judgment debtors submits that as per his instructions, the amount paid includes the interest and full and final payment is made.

5. In view of the aforesaid, the Court directs Mr. Pandey, learned counsel for the judgment debtors to place on record the calculation on the basis of which the amount of Rs. 1,48,000,00/- has arrived.

6. List for further consideration on 07.08.2025.

PURUSHAINDRA KUMAR KAURAV, J

APRIL 7, 2025

aks/sph

[Click here to check corrigendum, if any](#)