



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

226

FAO-2580-2023 (O&M)**Date of Decision:22.07.2025**

Haryana Urban Development Authority

.....Appellant

Versus

M/s Mehta Construction Company and another

.....Respondents

CORAM: HON'BLE MR. JUSTICE JASGURPREET SINGH PURI

Present:- Mr. P.S. Rana, Advocate for the appellant.

Mr. D.K. Singal, Advocate for respondent No.1.

JASGURPREET SINGH PURI J.(Oral)

1. The present appeal has been filed assailing the impugned order dated 22.12.2022, passed by the learned Additional District Judge, Karnal, whereby the objections filed by the appellant under Section 34 of the Arbitration and Conciliation Act, 1996, were dismissed.

2. Learned counsel appearing on behalf of the appellant, while giving a brief description of the sequence of events in the present case, submitted that the initial award was passed in favour of the respondent-company on 20.12.2013. Thereafter, the appellant filed statutory objections under Section 34 of the Arbitration and Conciliation Act, 1996 (hereinafter referred to as 'the Act'), which were dismissed vide order dated 08.01.2018 (Annexure A-11) on the ground of limitation. The appellant challenged the



aforesaid order by filing an appeal before this Court in FAO No.2340 of 2019 and the aforesaid appeal filed by the present appellant was dismissed on 11.12.2019 by a Coordinate Bench of this Court vide Annexure A-13. Thereafter, the appellant preferred a Special Leave Petition (SLP) against the aforesaid judgment before the Hon'ble Supreme Court. The order passed by the Hon'ble Supreme Court is annexed with the present appeal as Annexure A-14, wherein it was so observed that although the objections under Section 34 of the Act were filed beyond the prescribed period of three months but the delay was only of eight days which was shorter than the additional thirty days which is so permissible under the Act. Therefore, the Hon'ble Supreme Court held that the short delay ought to have been considered for condonation. It was further observed by Hon'ble Supreme Court that this Court as well as the learned Additional District Judge, Karnal, was not justified in refusing to condone the delay and that the application for condonation of delay should have been allowed. It was further observed by Hon'ble Supreme Court that the objections raised by the appellant under Section 34 of the Act require consideration and in-depth examination and should not have been dismissed without proper and full application of mind with reference to the provisions of the Limitation Act and the Act and in this way the appeal before Hon'ble Supreme Court was allowed and the orders passed by the learned Additional District Judge, Karnal and this Court were set aside. The matter was remitted back to the learned Additional District Judge, Karnal, with a direction that he would hear the objections afresh and on merits without being influenced by the earlier orders and also the present order. It was further clarified that the



observations made in the order are for the disposal of the present appeal and would not be treated as observations that are binding on the Additional District Judge, Karnal, when he examines and decides the objections under Section 34 of the Act on merits.

3. Learned counsel appearing on behalf of the appellant submitted that, pursuant to the order passed by Hon'ble Supreme Court on 30.03.2022, the matter was taken up afresh by learned Additional District Judge, Karnal, for reconsideration on the objections under Section 34 of the Act. However, the said objections were again dismissed by way of the impugned judgment dated 22.12.2022. While referring to the aforesaid judgment, he submitted that learned Additional District Judge, Karnal, rather in the first paragraph so noted the observation made by Hon'ble Supreme Court. Thereafter, although some issues were discussed on merits and in para No. 42 of the impugned judgment, the limitation aspect was again discussed, noting that the objections were barred by limitation and observed that the objections filed by the appellant were barred by limitation and the aforesaid observations were repeated in para No. 43, which was the operative part of the judgment in the form of the decision by observing that the objections were also barred by limitation. He further submitted that the observations made by learned Additional District Judge, Karnal, after the matter was remanded back by Hon'ble Supreme Court, were totally contrary to both the directions issued and the observations recorded by Hon'ble Supreme Court.

4. Learned counsel appearing for the appellant also pointed out that in the impugned judgment, paras No. 41 and 42, while considering



issues No. 2 and 3, contained copy-paste content that reproduced verbatim the same language used in the first order passed by learned Additional District Judge, Karnal dated 08.01.2018, specifically in para Nos.17 and 18 and in this way despite the fact that there were categorical observations by Hon'ble Supreme Court that the fresh order shall be passed by fresh application of mind being uninfluenced by the earlier order, still not only the earlier order was considered but rather the paragraphs were reproduced in verbatim and therefore there was no application of mind by learned Additional District Judge, Karnal and rather the judgment passed was totally contrary to the observations made by Hon'ble Supreme Court and therefore it is liable to be set aside.

5. On the other hand, learned counsel appearing on behalf of the respondents submitted that with regard to the aforesaid factual position that para Nos.17 and 18 of the earlier judgment dated 08.01.2018 passed by learned Additional District Judge, Karnal and para Nos. 41 and 42 of the judgment dated 22.12.2022 passed by the Additional District Judge, Karnal, after remand are verbatim the same and in view of the above, he has got no objection that in case the matter is remitted and remanded back to the learned District Judge, Karnal so that a fresh judgement can be passed in accordance with the directions issued by Hon'ble Supreme Court.

6. I have heard the learned counsels for the parties.

7 The relevant portions of the judgment passed by Hon'ble Supreme Court in SLP No. 23287-2020, specifically paragraphs No. 12, 16 to 18, are reproduced as follows

“12. Given the aforesaid background and the short condonable delay which had occurred, we do not think



that the High Court and the Additional District Judge, Karnal were justified in refusing to condone the delay. The application for condonation of delay in filing of the objections should have been allowed.

xxxxxx xxxxx xxxxx

16. We have briefly noted the provisions of the Act only to highlight that the objections under Section 34 of the Act did require consideration and in-depth examination and should not have been dismissed without proper and full application of mind with reference to the provisions of the Limitation Act and the Act.

17. In these circumstances, and for the reasons stated, we have no option but to allow the present appeal and set aside the impugned order dated 11th December 2019 passed by the High Court as well as the order dated 8th January 2018 passed by the Additional District Judge, Karnal.

18. We would remit the matter to the file of the Additional District Judge, Karnal, who would hear the objections afresh and on merits without being influenced by the earlier orders and also the present order. We clarify that the observations made in this order are for the disposal of the present appeal and would not be treated as observations that are binding on the Additional District Judge, Karnal, when he examines and decides the objections under Section 34 of the Act on merits.”

8. Paragraphs No. 17 and 18 of the earlier judgment dated 08.01.2018, passed by learned Additional District Judge, Karnal, while deciding the objections under Section 34 of the Act, are also reproduced as follows :-

“17. Since both the two issues are interconnected and hence these are taken together before this



Court. Having a glance over detailed findings on issue no.1 it can very well be said that the objections filed by the objector under section 34 of Arbitration and Conciliation Act 1996 are not maintainable.

18. It has been established from the file that the objections filed by the objector are barred by limitation as the same were not filed within the prescribed period. No plausible explanation could be given by the objector and filed the objections at a belated stage. So certainly the objections filed by the objector are barred by limitation also. On the other hand the respondents have duly proved these issues by leading cogent and convincing evidence. Hence, both these issues are returned in favour of respondents.”

9. Paragraphs No. 41 and 42 of the impugned judgment dated 22.12.2022, which was passed after the matter was remanded by Hon'ble Supreme Court, are also reproduced as follows :-

“41. Since both these issues are interconnected and hence these are taken together before this Court. Having a glance over detailed findings on issue No.1, it can very well be said that the objections filed by the objector under Section 34 of Arbitration and Conciliation Act 1996 are not maintainable.

42. It has been established from the file that the objections filed by the objector are barred by limitation as the same were not filed within the prescribed period. No plausible explanation could be given by the objector and filed the objections at a belated stage. So certainly the objections filed by the objector are barred by limitation also. On the other hand the respondents have duly proved these issues by leading cogent and convincing



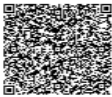
evidence. Hence, both these issues are returned in favour of respondents.”

10. A perusal of the aforesaid would show that again the issue of limitation has been decided against the appellant and the paragraphs are merely copy-paste content.

11. However, since the learned counsel appearing on behalf of the respondents has so stated on instructions today that the matter can be remanded back after setting aside the impugned judgment, this Court is of the view that considering the aforesaid facts and circumstances, where the learned Additional District Judge, Karnal has again passed observations pertaining to same issue which was set aside by Hon'ble Supreme Court, it will be just and proper that the present impugned order be set aside and the matter be remanded back to learned District Judge, Karnal, for deciding afresh in accordance with the observations made by Hon'ble Supreme Court (Annexure A-14) .

12. Consequently, the present appeal is hereby allowed. The impugned judgment dated 22.12.2022 is hereby set aside. The matter is remanded back to the learned District Judge, Karnal. The learned District Judge, Karnal, may himself decide the matter or may assign it to any other Additional District Judge, Karnal, but not to the Additional District Judge, Karnal, who passed the order dated 22.12.2022. It is expected that a fresh order with fresh application of mind and strictly in accordance with the judgment and observations made by the Hon'ble Supreme Court dated 30.03.2022 shall be passed expeditiously.

13. Considering the aforesaid fact that there had been a copy-paste of the earlier orders despite the observations made by Hon'ble



Supreme Court as aforesaid, it will be just and proper to send a copy of this order to the concerned Hon'ble Administrative Judge of Karnal Sessions Division for information

14. It is also made clear that a fresh order/judgment shall be passed with a fresh application of mind, uninfluenced by the present order passed by this Court as well.

(JASGURPREET SINGH PURI)
JUDGE

22.07.2025

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Whether speaking/reasoned	:	Yes/No
Whether reportable	:	Yes/No