

: 1 :

**IN THE COURT OF SH. AJAY KUMAR JAIN:  
DISTRICT JUDGE COMMERCIAL COURT 03 - SOUTH  
EAST DISTRICT SAKET COURTS, NEW DELHI.**

**OMP (COMM) 61/19**

**NARESH KUMAR SHARMA**  
S/o Sh. Shankar Lal Sharma  
R/o J-1817, GF, Chitranjan Park,  
New Delhi-110019

Chandra Shekhar Sharma,  
S/o Sh. Shankar Lal Sharma  
R/o J-1817, GF, Chitranjan Park,  
New Delhi-110019

Krishan Kumar Sharma  
S/o Sh. Shankar Lal Sharma  
R/o J-1817, GF, Chitranjan Park,  
New Delhi-110019

**.....Petitioners**

**(Respondents in arbitration proceedings)**

**VERSUS**

**INNOVATION IMPEX PVT. LTD.**  
(Through Authorised Representative)  
At:- 8-Citi Mall, New Link Road,  
Lokhandwala Complex,  
Andheri West,  
Mumbai

**.....Respondent/ Claimant**

**Date of Institution : 04.06.2019**  
**Date when final arguments heard : 07.10.2024**  
**Date of Judgment : 09.10.2024**

1. Vide this judgment, I shall decide the petition U/s 34 of Arbitration and Conciliation Act filed by the petitioners challenging the impugned award dt. 26.12.2018.

2. Brief facts of the case as per petition are that petitioners and the claimant/respondent entered into an irrevocable MOU dated 28.03.2015 whereby respondent agreed to purchase the property for a total consideration of Rs.490 crores, out of which respondent paid Rs. One crore(Rs.10 lacs on 08.04.2015 and Rs.90 lacs on 11.04.2015). The entire sale transaction was to be completed on or before 14.08.2015. The respondent was free to send legal/audit team to carry out physical inspection of the list of movables and fixtures as per details provided by petitioner but for initiating that the abovesaid action, the respondent has to pay Rs.125 crore but said amount was not paid. The maximum extension for completion of MOU which can be granted was only for two months, however, respondent never paid Rs.125 crore as per Clause Q of MOU, and also not intimated till 14.08.2015 for any extension. No reasonable steps were taken by the respondent to comply with the conditions of MOU dated 28.03.2015. There were no communication between petitioner and respondent during June, 2015 till October, 2015, thereafter, also no communication till 18.12.2015 when respondent asked to refund Rs.1 crore to the petitioner and proposed a name of Justice Sh. H.R. Malhotra (retired) as an Arbitrator. The respondent filed a petition u/s 11 of Arbitration and Conciliation Act and filed claim petition before Hon'ble Justice Anil Kumar, Arbitrator on the basis of MOU dated 28.03.2015. The petitioner, however, after

filing of the claim petition by the respondent was ready to grant opportunity to respondent to comply with the terms and conditions of MOU but the respondent failed to use said opportunity because of the fraudulent intention. The petitioner also filed counter-claim to direct the respondent to comply with the terms and conditions of MOU dated 28.03.2015, however, the Ld. Arbitrator dismissed the said counter-claim on the ground that petitioner was not in a position to pay the Arbitral Tribunal fee. The petitioner was not allowed to cross-examine the respondent as the counsel could not appear due to heart problem. The petitioners also filed an application under Section 17,49 of Registration Act r/w Section 107 of Transfer of Property Act that the respondent/claimant filed the claim on the basis of unregistered MOU and no right can be invoked from the unregistered documents in respect of the immovable property.

3. In grounds, it is stated that there is no clause in MOU that any party could backout from MOU and both the parties are bound by MOU. Even after filing of the claim petition, the respondent was ready to grant opportunity to the petitioner to comply with the terms and conditions of MOU. From cross-examination of respondent, it is clear that all resources of the respondent were not more than Rs. 100 crores, therefore, respondent could not pay Rs.490 crores in compliance of MOU. The petitioner filed a counter-claim to comply the terms and conditions of MOU dated 28.03.2015, however, respondent filed reply to the said counter-claim but Ld. Arbitrator dismissed the said counter-claim on the ground that petitioners were not in a

position to pay the Arbitral Tribunal Fee.

4. On 27.11.2017, the arbitration proceedings were fixed for recording the statement of witnesses of respondent but the counsel for petitioner suffered from heart attack thus hospitalized in Delhi Lungs & Heart Institute, however, cost of Rs.30,000/- was imposed. The learned Arbitrator also not granted petitioner to lead evidence. Petitioner filed an application u/s 17, 49 r/w Section 107 Transfer of Property Act that on the basis of unregistered claim cannot be filed. Therefore, the present Award be set aside.

5. After filing of the present petition vide order dated 04.06.2019, notice was issued to the respondent/claimant and matter was listed for arguments. The arbitration record was also received. On 21.09.2020, the counsel for respondent submits that they do not want to file any reply and want to argue the matter directly. Therefore, Ld. Predecessor granted opportunity to file written submissions. The written submissions were filed by petitioner on 01.02.2021, however, respondent not filed written submissions. The matter kept on postponing then on 14.11.2022, the present petition was dismissed in default for non-prosecution. Thereafter an application under Order 9 Rule 9 r/w section 151 CPC filed by the petitioner which was allowed vide order dated 15.05.2024 and the matter was restored to its original number. Learned counsel for the respondent also filed written submissions. Both the parties not led oral arguments and stated that their written submissions be considered.

6. The respondent/claimant filed the claim petition before the

learned Arbitrator. The brief facts as per claim petition are that the claimant/ respondent on the misrepresentation and fraud of the respondent entered into the memorandum of understanding dated 28.03.2015 for sale of immovable property of respondent no.1 for a total sum of Rs.490 Crores out of which Rs.1 Crore was paid through cheque for Rs.10 Lacs dated 08.04.2015 and Rs.90 Lacs through cheque dated 11.04.2015. However, after clearing of the cheques, the respondent no.2 to 4 completely changed suggesting that they executed the MOU only with objective of pocketing the money. The claimant sent the emails dated 25.04.2015 and 26.04.2015, however, respondent no.2 to 4 showed their indifferent attitude towards emails and also not responding to the phone calls. The claimant on inquiries shocked to learn that the respondent did not even have a registered power of attorney to sign the MOU. Furthermore, there are several tax demands against respondent no.1, the bank documents were showing the immovable property were close to 500 crore however, the said valuation was manufactured and doctored document. The immovable property have restricted usage as falling in green land for which no restriction clearance has been obtained. There is a false representation regarding the outstanding loans of about Rs.60 Crores and also not disclosed the loans from the third party. Therefore, the contract could not be performed. Hence, the claimant left with no other option and approached Hon'ble Delhi High Court u/s 9 and 11 of the Arbitration and Conciliation Act pursuant to which vide order dated 05.09.2016, the arbitral tribunal was constituted. It is prayed before the Arbitral tribunal to pass an award of Rs.1 Crore

along with the interest of 18 per cent per ann-um with further award of Rs.50 Lacs along with litigation expenses and travel expenses from Mumbai to Delhi, mental agony etc along with cost.

7. The reply of the claim petition filed by petitioner in terms of petition as narrated above.

### **WRITTEN SUBMISSIONS OF COUNSELS**

8. Ld. Counsel for the petitioners in written arguments raised the plea that after execution of MOU dated 28.03.2015, the claimant was free to send the audit team for inspection on payment of Rs.125 Crores as per clause Q of MOU, however no payment made. There was maximum extension of two months but no extension was sought by claimant but issued notice to the petitioners on 04.02.2016 and also filed petition under Section 11. The petitioner during arbitration proceedings, filed counter claim, however the said counter claim was dismissed as petitioners were not in position to pay the arbitral fees. No further opportunity was granted to the petitioner to lead evidence. The MOU is unregistered document, therefore, cannot be enforced. (Relied upon “*SMS Tea Estate Private Limited Vs. Chandmari Tea Company Limited*”, (2011) 14 SCC 66 & “*Bharat Lal Maurya Vs. M/s Godrej and Boyce MFG. Co. Ltd.*”, 208 (2014) DLT 680.)

9. In written submissions filed by the respondent, it is stated that after receiving an amount of Rs.1 Crore, attitude of the petitioners changed. The claimant sent the emails dated 25.04.2015 and 26.04.2015 asking original power of attorney,

original board resolution, audited balance sheets, sanction letter of loan alongwith the statement/outstanding of loan, but not complied by petitioners. Respondent/claimant sent a legal notice for appointment of an arbitrator and demanding amount of Rs.1 Crore alongwith 18% per annum. Thereafter, filed an application under Section 9 and 11 of the Arbitration and Conciliation Act. The sole arbitrator was appointed by Hon'ble High Court on 27.09.2016. After proceedings, Ld. Sole Arbitrator was passed a detailed award dated 26.12.2018 directing the respondent to pay sum of Rs.1 Crore alongwith pendent lite & future interest at 9% per annum till the realization. It is stated that the petitioner lacked power of attorney to sign the MOU. There is fraud and misrepresentation regarding tax demands, property valuation and bank loans. The MOU is voidable under Section 65 of the Indian Contract Act due to concealment of material facts. (Relied upon *"Mohan Lal Bakolia Vs. Bishan Pawar"*, 2011 SCC Online Del 2520). The MOU does not include a forfeiture clause, nor it designate any amount as earnest money. The petitioner is not entitled for refund since the contract was voidable and no conditions for forfeiture were set. (Relied upon *"Satish Batra Vs. Sudhir Rawal"*, (2013)1 SCC 345.) The MOU is not required to be registered which only outlines steps for completing the transaction, including the transfer of shares from respondent no.1. This MOU does not serve as a document conveying ownership or title of immovable property. An application of various sections of stamps Act does not arise in the present situation. Section 17(2)(V) of the Registration Act which clearly mandates that the document of this nature i.e. MOU is not

required to be registered. Section 17(1)(d) of the Registration Act is also not applicable for MOU. Section 107 of the Transfer of Property Act is also not applicable. There is no ground made to interfere in the impugned award passed by Ld. Arbitral. (Relied upon *Dyna Technologies Pvt. Ltd. Vs. Crompton Greaves Limited*, (2019) 20 SCC 1, *Associate Builders Vs. DDA*; 2014(6) 693 SC, *ONGC Ltd. Vs. Western Geco International Ltd.*; Manu/SC/0772/2014: 2014(9) SCC 263, *Gherulal Parekh Vs. Mahadeo Dass Maiya*; Manu/SC/0024/1959:1959 Supp (2) SCR 406, *National Highways Authority of India Vs. JMC Constructions Pvt. Ltd.*, 2021 DHC 3519, *UHL Power Company Ltd. Vs. State of Himachal Pradesh* (Civil Appeal No.10341 of 2021), *Atlanta Limited Through its Managing Director Vs. Union of India Represented by Chief Engineer Military Engineering Service* (Civil Appeal No.1533 of 2017), *Punjab State Civil Supplies Corporation Limited (PUNSUP) Vs. Ganpati Rice Mills*, 2021(6) R.A.J. 475(SC) & *Oriental Insurance Company Limited Vs. Diamond Product Limited*, (2021) 284 DLT 35 (DB).

10. Arguments heard. Record perused.

11. Before analysis of the contentions raised by the parties, the relevant portion of the impugned award is reproduced as under :

*10. The respondents did not lead any oral evidence nor any authorized representative of the respondents appeared before the Tribunal. No authorization of Mr. Vinay Sharma, alleged authorized representative has been filed before this Tribunal. The evidence of the respondents/counter claimants was closed as none had appeared despite reasonable opportunities given to the respondents.*

11. *The respondents/counter claimants also filed various frivolous applications which were considered by the Tribunal and were dismissed by detailed orders. The dilatory tactics adopted by the respondents/counter claimants shall be Apparent from the summary of proceedings which are detailed hereinafter:*

***SUMMARY OF ARBITRAL PROCEEDINGS AND RELEVANT DATES***

08.0 2.20 16	<i>On an application of the claimant under section 9 of the Act, an interim order was passed restraining the respondents from creating third-party interest with respect to properties mentioned therein</i>
05.0 9.20 16	<i>The claimant filed an application under section 11 (6) of the act for appointment of arbitral tribunal with the sole arbitrator. Relying on the notice dated 18. 12. 2015 given by the claimant to the respondent demanding an amount of Rs. 10,000,000 with interest at the rate of 18% per annum, the Court directed for payment of the said amount failing which appointment of a proposed arbitrator</i>
19.0 9.20 16	<i>The proposed sole arbitrator filed his declaration as contemplated under section 12 (1) of the act</i>
27.0 9.20 16	<i>Tribunal with Sole Arbitrator appointed by the Court in Arbitration Petitioner 488 of 2016 titled Innovation Impex Pvt. Ltd Vs Shekhar Resorts Pvt. Ltd &amp; ors. It was also had that the application of the claimant under section 9 shall be treated as an application under 17 of the act and shall be decided by the Tribunal.</i>
07.1 1.20 16	<i>In the First proceedings the counsel for the claimant sought time to file the Statement of Claims. Time was granted to file the Statement of Claims and to the respondents the Statement of Defense.</i>
22.1 2.20 16	<i>Counsel for the respondent sought adjournment which was not objected to by the counsel for the Claimant. More time was granted to file the statement of claims and to the respondents the statement of defense. Parties were also directed to file the respective documents and the statements of</i>

	<i>admission and denial.</i>
17.0 1.20 17	<p><i>The claimant filed the statement of claim for Rs.1, 50,00,000. The respondents did not file the statement of defense and/or their counterclaims. The respondents did not file the reply to the application of the claimant under section 17 of the Act despite the opportunities given on 7 November, 2016 and on 21 November 2016 and pursuant to time granted on 22nd December, 2016. On 17th January, 2017 reply was filed by the respondents to the application of the claimant under section 17 of the act. The respondents are alleged that they have appropriated the amount of Rs. 1,50,00,000. The pleas raised by the respondents through their counsel during arguments were not reflected in the reply filed on behalf of the respondents. The Tribunal in the circumstances passed the following interim order:</i></p> <p><i>“In the circumstances the applicant has been able to make a good prima facie case in his favor seeking restrain against the respondents from transferring or creating any third party rights in respect of the properties mentioned in the order dated 8th February, 2016 &amp; 27 September, 2016 by the Hon'ble Court. The balance of convenience is also in favor of the claimant and the claimant shall suffer irreparable loss in case the restrain order as prayed by the claimant is not passed in favor of the claimant.</i></p> <p><i>In the circumstances the respondents their agents or any person acting on their behalf are restrained from disposing off or in any manner creating third party rights in respect of properties bearing nos. Wyndham Grand Hotel, Located at Agra ad-measuring 64,000 sq. yds; land comprising of Khasra Nos. 117, 118, 119, 132 in revenue estate of Mauza Bassi Mustakil, Thesil. Agra, District Agra admeasuring 7,200 sq. yds and Plot No. 11, Sector, Institutional Green situated in Greater Noida Industrial Development Area, District Gautam Budh Nagar, U.P admeasuring 40048.11 sq. mtrs.</i></p>

	<p><i>During the pendency of Arbitration proceedings. The application under section 17 of the act of the claimant is allowed in terms hereof.”</i></p> <p><i>On that day the detailed procedure for Arbitration was also settled.</i></p>
22.02.2017	<p><i>respondent filed the Statement of Defence dated 17th January, 2017 with counterclaims seeking direction to the claimant to comply with the terms and conditions of MOU dated 28th March, 2015 and to pay to the respondent is some of Rs.1,144,400,000 on account of litigation expenses and mental and physical agony. The parties declined to share the Arbitral fees.</i></p>
11.04.2017	<p><i>Since the parties did not comply with the directions given on 22nd February, 2017 the proceedings were adjourned</i></p>
06.05.2017	<p><i>The respondent sought adjournment till after consulting the respondents for payment of Arbitral fees.</i></p>
22.05.2017	<p><i>Respondent filed an application seeking permission to withdraw the counterclaim filed earlier and permission to file a fresh counterclaim. The counterclaim filed by the respondents had admissions and therefore, the claimant opposed permission to withdraw the counterclaim by the respondents. Consequently permission to the respondents to withdraw the earlier counterclaims was declined and respondents sought permission to file art application for amendment of the counterclaims. The respondents also filed an application under Order 38 Rule 5 and 8 of CPC seeking directions to the claimant to furnish a security for a sum of Rs. 49,000,000.</i></p>
08.07.2017	<p><i>The respondents we do application seeking amendments to the counterclaims. The respondents also stated that the Arbitral fees on the counterclaims shall be paid before the next date</i></p>
23.08.2017	<p><i>an email sent by the counsel for the respondents for adjournment which was opposed by the claimant. The proceedings</i></p>

	<i>were however, adjourned in the interest of justice. It was also clarified that in case Arbitral Fees is not paid before the next date of hearing, the counterclaims of the respondents shall be terminated.</i>
<i>07.0 9.20 17</i>	<i>an application filed by the respondents seeking recalling the orders directing the respondents to pay the Arbitral fees on the counterclaims of the respondents. The counsel for respondents stated that respondent shall pay half of the Arbitral fees. The, claimant declined to share the Arbitral fee payable by the respondents. The application of the respondents was dismissed. Consequently the counterclaims of the respondents were terminated. The parties also agreed to extend the time to give the award by 6 months as contemplated under law. The issues/points of difference between the parties were also settle.</i>
<i>27. 11. 201 7</i>	<i>The claimant filed his evidence on affidavit. Witness of the claimant was present who had come from Mumbai and had allegedly incurred substantial expenses in coming to New Delhi. The Arbitral proceedings were adjourned subject to payment of Rs.30,000 as cost to the claimant</i>
<i>13.0 1.20 18</i>	<i>A statement and cross examination of CW-1 recorded. An application filed by the respondents for waiving the cost of Rs. 30,000 imposed on respondents: Another application filed by the respondents that since MOU between the parties is unregistered, therefore, it should be impounded by the Tribunal.</i>
<i>17.0 1.20 18</i>	<i>Arbitral proceedings adjourned at the request of counsel for the claimant on the ground of ill-health of Authorised representative of the claimant.</i>
<i>08.0 2.20 18</i>	<i>Since the time to make the award was expiring in April, 2018, the parties represented to file an appropriate application seeking extension of time to make the award.</i>
<i>12.0 3.20 18</i>	<i>The time to make award extended by 6 months by the Court with effect from 12th March, 2018.</i>

16.0 3.20 18	<i>arguments addressed by the councils on the applications of the respondents under Order 38 Rule 5 and 8; application for waiving the cost of 30,000 and the application of the respondents for impounding the MOU.</i>
30.0 4.20 18	<p><i>All the applications of the respondents dismissed by the Arbitral Tribunal by detailed order. While dismissing the application for impounding the MOU it was held by the Tribunal as under:</i></p> <p><i>XII. Admittedly the possession of the property has neither been transferred to the claimant by the respondents under the MOU dated 28.03.2015 nor possession of the property continues to be with the Claimant. The contention of the respondent that the MOU be impounded being insufficiently stamped, is contrary to the amendment made to the Stamp act and Registration Act and the Transfer of Property Act in the Union Territory of Delhi by The Registration and other Related Laws (Amendment) Act,2001. The MOU executed between the parties pursuant to which the possession has not been transferred to the claimant nor the claimant has been allowed to retain the possession, is not insufficiently stamped on account of non payment of 90% of the stamp duty and consequently it is not liable to be impounded nor the claimant is liable to pay the balance of amount of stamp duty nor there will be liability of the claimant to pay the penalty. The precedents relied on by the respondents are apparently distinguishable and on the basis of the same it cannot be held that MOU dated 28th March, 2015 is under stamped and was liable for registration and in absence the same is liable to be impounded as has been prayed by the respondent. The prayers made by the respondent are not sustainable in law and in the facts and circumstances and the application of the respondent is liable to be rejected. The application is without any merit and is therefore dismissed.</i></p>
23.0 5.20	<i>Neither the witnesses of the respondents were present nor it was disclosed by the</i>

18	<i>respondents as to who will be the witnesses of the respondents, in the circumstances for non-compliance of the directions of the Tribunal, the evidence of the respondents was closed.</i>
07.0 6.20 18	<i>Another application filed by the respondent with an affidavit dated 7 June 2018 praying for another opportunity to lead evidence on behalf of the respondents.</i>
14.0 6.20 18	<i>Hearing on 14 June, 2018 were cancelled and the Arbitral proceedings were listed on 16th June, 2018 for arguments on the application of the respondents.</i>
16.0 6.20 18	<i>directions given to the claimant to pay the entire Arbitral Fees on the amounts of the claimant and the proceedings were adjourned.</i>
11.0 7.20 18	<i>Matter adjourned at the request of counsel for the claimant. Consequently the Arbitral proceedings adjourned.</i>
28.0 7.20 18	<i>Claimant prayed for more time to pay the Arbitral fees. Last opportunity granted to the claimant to pay the entire Arbitral fees in compliance with the procedure for arbitration settled between the parties.</i>
24.0 8.20 18	<i>Arguments partly addressed by the counsel for claimant.</i>
02.0 9.20 18	<i>An affidavit filed by the claimant indicating the amount of pre-reference interests. Since the time to make the award was expiring on 11th September, 2018, the applicant represented that an appropriate application shall be filed before the Court for extension of time to make the award.</i>
07.0 9.20 18	<i>Time extended by the Court to make the award after 31 December, 2018 in O.M.P (Misc) (Comm) 220 of 2018</i>
08.0 9.20 18	<i>The learned counsel for the respondents sought time to file the response to the affidavit dated 29 August 2018 of the claimant.</i>
12.1 0. 201 8	<i>Further arguments heard on behalf of the claimant. Arbitral proceedings, however, adjourned at the request of counsel for the respondents.</i>
15. 10.	<i>Claimant concluded the arguments. However, no one appeared on behalf of</i>

201 8	<i>respondents. Arbitral proceedings were, therefore, adjourned.</i>
27. 10. 201 8	<i>Part submissions made by the learned counsel for the respondents. Further arguments deferred at the request of counsel for the respondents.</i>
13. 11. 201 8	<i>Arbitral proceedings adjourned at the request of both the counsel.</i>
21. 11. 201 8	<i>Arbitral Proceedings adjourned as the counsel for the respondents had come late.</i>
24. 11. 201 8	<i>Arguments concluded by the respondents. Arguments also addressed by the Counsel for the claimant in rebuttal. Award reserved</i>

*12. The counsel for the parties were heard at length. The counsel were directed to file the copies of the precedents on which they rely and also to file their reasons in writing. The counsel for the claimant filed the reasons in writing with precedents. The counsel for the respondents, however, did not file the copies of any of the precedents on which the respondents wanted to rely nor filed the reasons in writing*

*13. The respondents/counter claimants were directed to pay the Arbitral fees in accordance with the schedule IV of the Act. However, despite opportunities to the respondents, no Arbitral fees was paid, entailing termination of the counterclaims of the respondents by the Tribunal. In Gammon India Ltd v. Trenchless Engineering Services (P) Ltd 2013 SCC Online Bom 1720 the Hon'ble Court had held as under:*

*“9. In my view, neither the arbitral tribunal nor this Court can compel a party to deposit the contribution of fees and expenses of both parties. In my view, the arbitral tribunal was thus justified in terminating the arbitral proceedings in respect of counter-claim in view of the petitioner and respondent refusing to deposit any amount of fees and expenses for hearing counter-claim of the petitioner. Arbitral tribunal is entitled to fix a separate amount of*

*deposit for claim and counter-claim. I am bound by the Judgment of Division Bench of this Court in case of Rehmat Ali Baig.”*

14. *The learned counsel for the claimant has filed reasons in support of the plea and contentions of the claimant. It is emphasized that the documents sought by the claimant were never supplied nor such documents have even been produced by the respondents/counter claimants on the record of this Tribunal. It is vehemently argued that misrepresentations made by the respondents/counter claimant and on their behalf go to the root of the matter and in the circumstances the respondents/counter claimants are liable to refund the amount of Rupees one crore with interest at the rate of 18% per annum and are also liable to pay other amounts as has been claimed by the claimant.*

15. *The claimant has emphasized that respondent no. 1 and other respondents had no clearance of demands against in respect of exercise control laws, VAT's, custom demands etc.; the immovable properties could be used for restricted purpose as all of them had been falling in green land for which no clearance had been obtained; the representation that the bank loans were also only about Rs.600,000,000 was incorrect as the respondents had also taken various loans from third parties including private persons from local market and local politicians which was not disclosed.*

16. *The learned counsel for the claimant very categorically submitted that the MOU does not contain any forfeiture clause nor Rupees one crore was paid by the claimant to the respondent as earnest money and in the circumstances that amount cannot be forfeited by the respondents and the said amount with interest is liable to be returned. Reliance has been placed on section 65 of the Contract Act. The counsel for the claimant has also relied on Tarsem Singh Vs Sukhminde Singh, 1998 (3) SCC 471; Mohan Lal Bakolia Vs Bishan Pawar, 2012 (186) DLT 733 (para 21) and Modi Rubber Ltd. Vs Morgan Securities & Credits Pvt. Ltd 2009 (165) DLT 113 (para 90) and Alka Rani Vs Vijay Kumar Dhingra (2004) 4 AD (Delhi)587.*

17. *The learned counsel for the respondents has contended that the Memorandum of Understanding between the parties was irreversible. The learned counsel emphasized that the claimant could not file or raise the dispute for the refund of Rs. 10,000,000 with interest and expenses and the appropriate remedy for the claimant in accordance with the MOU was to seek specific performance of the agreement. The learned counsel has further contended that the reciprocal promise on the part of the respondents could have arisen only after payment of Rs.12,50,000,000 by the claimant to the respondents. The learned counsel has also disputed certain emails which have been produced on the record of the Tribunal, contending that they were by someone who had nothing to do with the transaction between the parties. It is also contended that the documents filed by the claimant claiming expenses cannot be referred to as they were not produced by the claimant when the claimant's witness was cross-examined by the defendants.*

18. *Perusal of the affidavit of evidence dated 14th November, 2017 filed by the claimant, reveals that the claimant had filed the copies of accounts/invoices. Consequently, the plea of the counsel for the respondents that the invoices and the accounts regarding expenses claimed by the claimant were not available on the record when the counsel cross-examined the witness of the claimant is not correct. The claimant has filed detailed expenses by index dated 16th October, 2018 along with the vouchers. The claimant has claimed accommodation expenses of Rs. 654,454.41; travel expenses of Rs.940,997; professional expenses of Rs. 2,785,000. The claimant has claimed total expenses of Rs. 4,380,451.41. The claimant has produced the vouchers in respect of all these expenses. The authorized representative of the claimant has not been cross-examined cogently by the counsel for the respondents in respect of the invoices/vouchers of the expenses.*

19. *The plea of the claimant regarding expenses is that the expenses must be determined on the basis of status or lifestyle of the spouses and their children. Reliance has been placed by*

*the claimant on Alka Rani Vs Vijay Kumar Dhingra (2004) 4 AD (Delhi)587. The precedent relied on by the claimant is in respect of maintenance claimed by a spouse against another spouse. The Court had held that maintenance is not a penalty imposed by the Court on the dominant partner and equally it is not a bounty on largesse needlessly inflicted on such spouse. Apparently, the ratio of the decision relied on by the claimant is not applicable in the facts and circumstances. The claimant had advanced an amount to the respondents which he is claiming back as the agreement is alleged to be void because according to the claimant the respondents have played a fraud upon him and the parties were never at ad-idem in respect of what was sought to be purchased by the claimant. In the circumstances, if the claimant is entitled for the amount back, the claimant can claim interest which is also a species of damages. On the basis of the precedent relied on by the claimant it cannot be inferred that the claimant shall be entitled for all the expenses for accommodation, travel and professional expenses.*

20. *It is no more res integra that a decision is only an authority for what it actually decides. What is of the essence in a decision is its ratio and not every observation found therein nor what logically follows from the various observations made in it. The ratio of any decision must be understood in the background of the facts of that case. It has been said long time ago that a case is only an authority for what it actually decides, and not what logically follows from it. It is well settled that a little difference in facts or additional facts may make a lot of difference in the precedential value of a decision. Considering the present facts and circumstances, it may not be necessary to deal with judgments in detail relied on by the parties in the facts and circumstances of the present case as the present case is apparently distinguishable from the fact situation of the decisions relied on by the parties. The Supreme Court in Bharat Petroleum Corporation Ltd and Anr. v. N. R. Vairamani and Anr., AIR 2004 SC 778 had observed:-*

*“Court should not place reliance on decisions without discussing as to how the factual situation fits in with the fact situation of the decision on which reliance is placed. Observations of Courts are neither to be read as Euclid's theorems nor as provisions of the statute and that too taken out of their context. These observations must be read in the context in which they appear to have been stated. Judgments of Courts are not to be construed as statutes. To interpret words, phrases and provisions of a statute, it may become necessary for judges to embark into lengthy discussions but the discussion is meant to explain and not to define. Judges interpret statutes, they do not interpret judgments. They interpret words of statutes; their words are not to be interpreted as statutes.*

21. *Circumstantial flexibility, one additional or different fact may make a world of difference between conclusions in two cases and disposing of a case by blindly placing reliance on a decision not proper. Even a minor difference in the factual matrix, may render an earlier decision inapplicable in a later case. The Supreme Court, in *Uttarakhand Road Transport Corporation v. Mansaram Nainwal*, AIR 2006 SC 2840) has observed as follows:*

*“A decision is a precedent on its own facts. Each case presents its own features. It is not everything said by a Judge while giving judgment that constitutes a precedent. The only thing in a Judge's-decision binding a party is the principle upon which the case is decided and for this reason it is important to analyse a decision and isolate from it the ratio decidendi..... A decision is an authority for what it actually decides. What is of the essence in a decision is its ratio and not every observation found therein nor what logically flows from the various observations made in the judgment. The enunciation of the reason or principle on which a question before a Court has been decided is alone binding as a precedent. (See: *State of Orissa v. Sudhansu Sekhar Misra and Ors.* MANU/SC/0047/1967: (1970) ILLJ 662 SC and *Union of India and Ors. v. Dhanwanti Devi and Ors.* MANU/SC/1272/1996: (1996) 6 SCC 4. A case is a precedent and binding for what it*

*explicitly decides and no more. The words used by Judges in their judgments are not to be read as if they are words in an Act of Parliament. In Quinn v. Leathern (1901) AC 495 (H.L.) Earl of Halsbury LC observed that every judgment must be read as applicable to the particular facts proved or assumed to be proved, since the generality of the expressions which are found there are not intended to be exposition of the whole law but governed and qualified by the particular facts of the case in which such expressions are found and a case is only an authority for what it actually decides.”*

22. *Though the reply/statement of defense dated 17th January, 2017 was filed along with the affidavit of Shri Vinay Sharma, an alleged authorized representative of the respondent company no. 1. There are no averments in the reply or in the affidavit, as to how respondent no. 1 company has authorized him to appear on the behalf of respondents. What is the designation of such person in the company has not been disclosed nor the copy of power of attorney by any of the respondents in the favor of such person has been filed. Even the reply filed allegedly on behalf of the respondents is not signed by him. Similarly, the alleged counterclaims dated 22nd May, 2017 filed by the said person with his affidavit does not disclose as to how he has been authorized by the respondents. The counterclaims of the respondents has already been terminated as has been detailed hereinabove. In the facts and circumstances there is no defense to the claims of the claimant, as the alleged authorized person has failed to show and disclose as to how he is authorized to file a statement of defense/reply to the claims of the claimant and the counter claims on behalf of the respondents.*

23. ***It has not been denied that the respondents had received Rupees one crore from the claimant. The execution of MOU has also not been disputed which is also signed by all the respondents. The pleas raised by the claimant that it was assured by the respondents that the immovable properties were free from all the tax demands has remained un rebutted. The respondents cannot take this plea that unless***

*Rs.125 crores more is paid by the claimant, they are not liable even to disclose that the immovable properties are free from all tax demands. Under the MOU the claimant may be entitled for inspection of document after paying further amount of Rupees one crore on execution of MOU, however, the respondents were liable to disclose about the tax liabilities on the immovable properties which are sought to be sold by them to the claimant by transfer of shares in favor of claimant. Similarly, the respondents have failed to ever and disclose that the properties which are sought to be sold under the MOU could be used for commercial purposes in view of the specific allegation of the claimant that the properties are 'green lands' and could not be used for commercial purposes as has been represented in the MOU. The plea of the claimant that there has been more than Rs. 600,000,000 loan on the properties of the respondents which was sought to be sold has not been refuted and/or substantiated in any manner by the respondents. The allegation of the claimant that the intention of the respondents was only to misrepresent the facts to the claimant and to appropriate the consideration of the sale illegally, has remained unrebutted as most of the facts stated by the respondents have been found to be incorrect by the claimant.*

*24. Apparently even if it is inferred for any reason that the respondents have not played a fraud upon the claimant, it is inevitable to infer that the parties have been under a mistake as to the facts essential to the MOU for the sale of immovable properties of the respondents to the claimant for a large consideration from the very inception though the claimant alleged to have come to know about the facts contrary to the representations made by the respondents after inquiries and investigation was done by the claimant. The respondents have not accepted the valuation and other facts alleged by the claimant. In the circumstances the minimum the respondents could have done was to rebut the facts by filing a proper reply and disclosing such facts which would have negated the allegations of the claimant. **Not a single relevant document has been filed by the respondents to refute and/or***

***negate the averments made by the claimant. In the circumstances the plea of the claimant that the MOU has been discovered to be void within the meaning of section 65 of the Contract Act has not been repelled by the respondents in any manner.***

25. Both parties surprisingly have averred that the MOU was irreversible. However, reading of MOU discloses that there has not been any term for payment of earnest money by the claimant and/or its forfeiture in case of default by the claimant. In view of the same even if another sum of Rs. 125 crores had not been paid by the claimant, it cannot be held that the default has been committed by the claimant as the respondents have failed to rebut the allegation of various misrepresentations allegedly made by them and have not produced even a single document to negate the allegations of the claimant. Consequently, the amount of Rupees one crore given by the claimant under the MOU cannot be termed as earnest money nor can be forfeited on the allegation that the MOU was irreversible. ***In the circumstances the said amount cannot be forfeited by the respondents for the foregoing reasons and it is inevitable to infer that the MOU entered between the parties has been 'discovered to be void within the meaning of section 65 of the Contract Act and consequently the respondents are not entitled to retain any benefit received by them under the said MOU.***

26. Even if for some reason if the MOU executed between the parties is inferred to be not void, ***it will be voidable at the instance of one of the parties, it will be voidable at the option of claimant.*** The MOU is based on various representations made by the respondents about the immovable properties which were sought to be transferred by transferring the shares of the respondent no. 1 company, which have been found to be incorrect by the claimant and which allegations have not been refuted and substantiated by the respondents. Therefore, the option will be with the claimant. Even in such circumstances, if the claimant does not wish to continue with the MOU, the benefit received by the respondents cannot be retained by them and

*the respondents are liable to refund the amount of Rupees one crore jointly and severally to the claimant.*

*27. The respondents got Rupees one crore from the claimant which they were not entitled to receive and which they are liable to refund. The said sum of money is also deemed to have been utilized by the respondents, thus the respondents are also liable to pay interest thereon to the claimant.*

*28. There is no term in the MOU for the payment of interest. However, a notice has been given by the claimant demanding refund of the amount with interest which can be a notice under the Interest Act. 'Interest' is defined as "the return or compensation for the use or retention by one person for a sum of money belonging to or owned by any reason to another" In essence, an award of Interest compensates a party for its forgone return on investment, or for money withheld without a justifiable cause. No justifiable cause has been established by the respondents.*

*29. Section 31(7) of the 1996 Act which provides for Interest, is set out herein below for ready reference:*

*"31. Form and content of arbitral award-*

*(7)... (a) Unless otherwise agreed by the parties, where and in so far as an arbitral award is for the payment of money, the arbitral tribunal may include in the sum for which the award is made interest, at such rate as it deems reasonable, on the whole or any part of the money, for the whole or any part of the period between the date on which the cause of action arose and the date on which the award is made.*

*[(b) A sum directed to be paid by an arbitral award shall, unless the award otherwise directs, carry interest at the rate of two per cent, higher than the current rate of interest prevalent on the date of award, from the date of award to the date of payment.*

*Explanation The expression "current rate of interest" shall have the same meaning as assigned to it under clause (b) of section 2 of the Interest Act, 1978 (14 of 1978).*

30. *The discretion of the Tribunal to award interest cannot be denied but it is to be exercised reasonably. While making an award for Interest one must take into consideration a host of factors, such as: (i) the loss of use' of the principal sum; (ii) the types of sums to which the Interest must apply; (iii) the time period over which interest should be awarded; (iv) the prevailing rates of interest; (v) whether simple or compound rate of interest is to be applied; (vi) whether the rate of interest awarded is commercially prudent from an economic standpoint; (vii) the rates of inflation, (viii) proportionality of the count awarded as Interest to the principal sums awarded. On the one hand, the rate of Interest must be compensatory as it is a form of reparation granted to the award-holder, while on the other hand it must not be punitive, unconscionable or usurious in nature. In Hyder Consulting (UK) Limited v. Governor, State of Orissa: (2015) 2 SCC 189 the Hon'ble Supreme Court had held as under:-*

*“26. Section 31 (7)(a) of the Act deals with grant of pre-award interest while clause (b) of Section 31 (7) of the Act deals with grant of post-award interest. Pre-award interest is to ensure that arbitral proceedings are concluded without unnecessary delay. Longer the proceedings, the longer would be the period attracting interest. Similarly, post-award interest is to ensure speedy payment in compliance with the award. Pre-award interest is at the discretion of the Arbitral Tribunal, while the post-award interest on the awarded sum is mandate of the statute the only difference being that of rate of interest to be awarded by the Arbitral Tribunal. In other words, if the Arbitral Tribunal has awarded post-award interest payable from the date of award to the date of payment at a particular rate in its discretion then it will prevail 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%. Thus, there is a clear distinction in time period and the intended purpose of grant of interest.”*

31. *Consequently, the claimant shall be entitled for interest from the respondents. In the*

*circumstances claimant is awarded simple interest at the rate of 9% per annum from the date of demand till the date of reference. The claimant is also awarded simple interest @ 9% per annum pendent lite and future interest till realization of the awarded amount. The plea of the claimant to award interest @ 18% per annum is repelled in the facts and circumstances.*

*32. The claimant, however, shall not be entitled for accommodation expenses and travel expenses as claimed by him. The claimant was not liable to travel to the venue of arbitration for every hearing, as the claimant was duly represented by the authorized representative/Counsel. The claimant, however, had to travel to the venue of arbitration twice for his statement and cross examination, as on one date of hearing the respondents did not appear either personally or through their counsel without any justifiable reason and did not even pay the cost imposed by this Tribunal. Consequently, the claimant shall be entitled for accommodation and travel expenses for those two dates on which he appeared before the Tribunal for his statement and cross examination. In the facts and circumstances the claimant shall also be entitled for professional fees subject to maximum professional fees equivalent to the arbitral fees paid by the claimant.*

*33. In the facts and circumstances and for the foregoing reasons, the claimant is awarded a sum of Rupees one crore jointly and severally against the respondents. The claimant is also awarded pre-reference, pendent lite and future interest @ 9% per annum till the realization of all the amounts awarded in favor of the claimant. The claimant shall also be entitled for professional fees as indicated herein above besides the secretarial expenses incurred by the claimant for the arbitral proceedings which are the secretarial expenses paid by the claimant and the cost of typing and photostat incurred by the claimant for the arbitral proceedings. It is clarified that the Tribunal has not charged from the parties for the venue of arbitration and the secretarial expenses incurred by the Tribunal for the order and typing of the award etc.*

12. The main contention of the petitioners in the present case is that the claimant / respondent had not complied the terms and conditions of the MOU dated 28.03.2015, and not paid Rs. 125 Crores in terms of MOU for inspecting the list of movable and fixtures as per the agreement, and even not sought any extension. Furthermore, that petitioner was always ready to grant opportunity to the claimant to perform the contract. The legal objection raised that on unregistered MOU no right could be invoked by the claimant with respect to immovable property due to embargo u/s 17, 49 of the Registration Act r/w 107 of the Transfer of Property Act.

13. However, the plea of the claimant / respondent is that the advance of Rs. 1 crore was not given as an earnest money nor there is any forfeiture clause in the said MOU. The petitioners on the other hand, played fraud by not disclosing the relevant facts relating to the property in question. The petitioners not replied to the emails dated 25.04.2015 and 26.04.2015 and not provided the copies of original Power of Attorneys in favour of Naresh Kumar Sharma (Petitioner), original Board Resolution, audited balance sheet and sanction letter of loan. Furthermore, the claimant / respondent also done multiple frauds and misrepresentation over tax demands, property valuation and bank loans. It is also stated that the said MOU voidable u/s 65 of the Contract Act because of all the concealments. Ld. Arbitrator in detail discussed all the objections and passed the impugned order and there is no infirmity in the said impugned order and not required any interference.

14. The Ld. Arbitrator in the impugned award had discussed all the contentions raised by both the parties and gave a clear finding of entitlement of the claimant / respondent. It is categorically observed by the Ld. Arbitrator that execution of the MOU and also receiving of Rs. 1 Crore by the claimant is not disputed. The pleas raised by claimant that it was assured by the petitioners that the immovable property were free from all tax demands has remained unrebutted. It is also observed that the petitioner cannot take the plea that unless claimant pays Rs. 125 Crores more then they are not even liable to disclose that the immovable property are free from all tax demands. The petitioner has also failed to disclose that the properties sought to be sold under MOU could be used for commercial purposes in view of the specific allegations of claimant that the properties are green lands and cannot be used for commercial purpose as represented in MOU. It is also not refuted that more than 60 Crores loan lies over the property. Ld. Arbitrator also observed that the respondent have not rebutted the facts by filing proper reply, not a single relevant document has been filed by the petitioners to refute or negate the averments. Therefore, in these circumstances, the plea of the claimant that the MOU had been discovered to be void within the meaning of Section 65 of The Contract Act has not been repelled by the respondent in any manner. The amount of Rs. 1 Crore given under the MOU cannot be termed as earnest money nor can be forfeited merely because it is stated that MOU was irreversible. It also observed by Ld. Arbitrator that even it is inferred that MOU is not void, it could be voidable at the option of the claimant. Therefore, the benefit received by the petitioners

(respondents in arbitration proceedings) cannot be retained by them and liable to refund the said amount of Rs. 1 Crore jointly and severally to the claimant. The Ld. Arbitrator only awarded the simple interest at the rate of 9 % per annum pendent lite and future interest till realization of the awarded amount.

15. The Ld. Arbitrator dismissed the counter claim on the ground that despite opportunities, respondent not paid arbitral proceedings fees and in this regard rightly relied upon the case titled **Gammon India Ltd. Vs. Frenchless Engineering Pvt. Ltd. 2013 SCC Online Bombay 1720.**

16. The Ld. Arbitrator considered the material pleas of the parties and rightly held that the petitioner had not disclosed the tax liabilities, and even not able to show that the said property could not be used for commercial purpose being green land. Further, there is liability of more than Rs. 60 Crore loan over the said property. The MOU is thus voidable at the instance of the claimant / respondent. The defence of the respondent that the MOU is unenforceable as not registered is devoid of any merit because it is the document which only outlines steps for completing the transaction including the transfer of shares from the petitioner's company (respondent no. 1 in arbitration proceedings). There is no applicability of Section 17/49 of the Registration Act or Section 107 of the Transfer of Property Act. This Court found no illegalities in the impugned award leave aside any patent illegality.

17. Scope of interference under section 34 of Arbitration and Conciliation Act with Arbitrator's award is very limited. The

Court would not be justified in reappraising the material on record and substituting its own view in place of the view taken by Arbitrator. Once the Arbitrator has applied his mind to the matter before him, the Court cannot reappraise the matter as if it were an appeal and even if two views are possible, the view taken by the Arbitrator would prevail as held by Hon'ble Supreme Court in the case of Navodaya Mass Entertainments Ltd. v. J.M. Combines reported in (2015) 5 SCC 698.

18. Hon'ble Supreme Court in the case of '*Sutlej Construction Ltd. v. State (UT of Chandigarh)* reported in (2018) 1 SCC 718' has held that when it comes to setting aside of an award under the public policy ground, it would mean that the award should shock the conscience of the court and would not include what the court thinks is unjust on the facts of the case seeking to substitute its view for that of the arbitrator to do what it considers to be "justice. Paragraph nos. 10 to 13 of the said judgment are extracted below:-

*"10. We are not in agreement with the approach adopted by the learned Single Judge. The dispute in question had resulted in a reasoned award. It is not as if the arbitrator has not appreciated the evidence. The arbitrator has taken a plausible view and, in our view, as per us the correct view, that the very nature of job to be performed would imply that there has to be an area for unloading and that too in the vicinity of 5 km as that is all that the appellant was to be paid for. The route was also determined. In such a situation to say that the respondent owed no obligation to make available the site cannot be accepted by any stretch of imagination. The unpreparedness of the respondent is also apparent from the fact that even post-termination it took couple of years for the work to be carried out, which was meant to be completed within 45 days. The ability of the appellant to comply with its obligations was interdependent on the respondent*

*meeting its obligations in time to facilitate appropriate areas for unloading of the earth and for its compacting. At least it is certainly a plausible view.*

*11. It has been opined by this Court that when it comes to setting aside of an award under the public policy ground, it would mean that the award should shock the conscience of the Court and would not include what the Court thinks is unjust on the facts of the case seeking to substitute its view for that of the arbitrator to do what it considers to be "justice".*

*12. The approach adopted by the learned Additional District Judge, Chandigarh was, thus, correct in not getting into the act of re-appreciating the evidence as the first appellate court from a trial court decree. An arbitrator is a chosen Judge by the parties and it is on limited parameters can the award be interfered with.*

*13. The learned Single Judge ought to have restrained himself from getting into the meanderings of evidence appreciation and acting like a second appellate court. In fact, even in second appeals, only questions of law are to be determined while the first appellate court is the final court on facts. In the present case, the learned Single Judge has, thus, acted in the first appeal against objections dismissed as if it was the first appellate court against a decree passed by the trial court."*

19. The scope of interference with an arbitral award under Section 34 of the Act has been considered and discussed by Hon'ble Supreme Court in a judgment rendered in the case of '*MMTC Ltd. v. Vedanta Ltd. reported in (2019) 4 SCC 163*'. Paragraph nos. 11 to 14 of the said judgment are extracted below:

*"11. As far as Section 34 is concerned, the position is well-settled by now that the Court does not sit in appeal over the arbitral award and may interfere on merits on the limited ground provided under Section 34(2)(b)(ii) i.e. if the award is against the public policy of India. As per the legal position clarified through decisions of this Court prior to the amendments to the 1996 Act in 2015, a violation of Indian public policy, in turn, includes a violation of the fundamental policy of Indian law, a violation of the interest of India, conflict with justice or morality,*

*and the existence of patent illegality in the arbitral award. Additionally, the concept of the “fundamental policy of Indian law” would cover compliance with statutes and judicial precedents, adopting a judicial approach, compliance with the principles of natural justice, and Wednesbury reasonableness. Furthermore, “patent illegality” itself has been held to mean contravention of the substantive law of India, contravention of the 1996 Act, and contravention of the terms of the contract.*

*12. It is only if one of these conditions is met that the Court may interfere with an arbitral award in terms of Section 34(2)(b)(ii), but such interference does not entail a review of the merits of the dispute, and is limited to situations where the findings of the arbitrator are arbitrary, capricious or perverse, or when the conscience of the Court is shocked, or when the illegality is not trivial but goes to the root of the matter. An arbitral award may not be interfered with if the view taken by the arbitrator is a possible view based on facts.*

*13. It is relevant to note that after the 2015 Amendment to Section 34, the above position stands somewhat modified. Pursuant to the insertion of Explanation 1 to Section 34(2), the scope of contravention of Indian public policy has been modified to the extent that it now means fraud or corruption in the making of the award, violation of Section 75 or Section 81 of the Act, contravention of the fundamental policy of Indian law, and conflict with the most basic notions of justice or morality. Additionally, sub-section (2-A) has been inserted in Section 34, which provides that in case of domestic arbitrations, violation of Indian public policy also includes patent illegality appearing on the face of the award. The proviso to the same states that an award shall not be set aside merely on the ground of an erroneous application of the law or by re-appreciation of evidence.*

*14. As far as interference with an order made under Section 34, as per Section 37, is concerned, it cannot be disputed that such interference under Section 37 cannot travel beyond the restrictions laid down under Section 34. In other words, the court cannot undertake an independent assessment of the merits of the award, and must only ascertain that the exercise of power by the court under Section 34 has not exceeded the scope of the provision. Thus, it is evident that in case an arbitral award has been confirmed by the court under*

*Section 34 and by the court in an appeal under Section 37, this Court must be extremely cautious and slow to disturb such concurrent findings.”*

20. In the case of *‘Maharashtra State Electricity Distribution Company Ltd. v. Datar C.C.L. Ltd. reported in (2018) 3 SCC 133’* it has been held by Hon’ble Supreme Court that *“the proposition of law that the Arbitral Tribunal is the master of evidence and the findings of fact which are arrived at by the arbitrators on the basis of evidence on record are not to be scrutinised as if the Court was sitting in appeal now stands settled by catena of judgments pronounced by this Court without any exception thereto.”*

21. Ld. Arbitrator has passed the award upon consideration of material placed before him. There is nothing on record that the Ld. Arbitrator not considered the relevant material placed before him. There is nothing perverse or patent illegality in the findings of the Ld. Arbitrator.

22. The Ld. Sole Arbitrator has drawn inferences and conclusions after the factual appreciation in the light of the legal principles. The views of the Ld. Sole Arbitrator can not be found fault with only for the reason that some other views can emerge by appreciating the same set of facts and evidence, until and unless it is shown that such a view is totally obnoxious and unsupported by the sound legal principles.

23. This Court cannot substitute its own views or the views of the parties with the view taken by the Ld. Arbitral Tribunal, if the view taken by the Ld. Arbitrator is not in conflict with the

settled legal position. There is nothing to suggest that the findings and conclusions rendered by the Ld. Arbitrator are per-se perverse, illegal or non- sustainable or against public policy.

24. Accordingly, the present petition under Section 34 of the Arbitration and Conciliation Act as pressed into service by the petitioners therefore not sustainable within the scope and ambit of the provision, therefore, liable to be dismissed and accordingly dismissed and disposed of.

25. File be consigned to record room after necessary compliance.

**Announced in open court  
on 9<sup>th</sup> October, 2024**

**(Ajay Kumar Jain)  
District Judge, Comm-03  
South-East, Saket Courts, Delhi**