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**213 IN THE HIGH COURT OF PUNJAB AND HARYANA
AT CHANDIGARH**

**FAO-7602-2015 (O&M)
Date of Decision: 16.07.2026**

M/S BABA ENGINEERS AND CONTRACTORS APPELLANT
Versus

M/S KHANNA INFRASTRUCTURE DIVISION OF K-WATCH PVT
LTD AND ANOTHER RESPONDENTS

CORAM: HON'BLE MS. JUSTICE LAPITA BANERJI

Present: Mr. Naresh Markanda, Sr. Advocate with
Mr. Rohan Markanda, Advocate and
Ms. Vartika Joshi, Advocate for the appellant.

Mr. Anand Chibbar, Sr. Advocate with
Ms. Ateevraj Sandhu, Advocate,
Mr. Utkarsh Khatana, Advocate and
Mr. Inderjeet Singh, Advocate for respondent No.1.

LAPITA BANERJI, J. (Oral)

1. Learned counsel appearing on behalf of the appellant submits that the learned Arbitrator vide the impugned award dated August 31, 2013 and the learned District Judge, Chandigarh by passing impugned judgment dated March 12, 2015 acted perversely, erroneously and failed to give opportunity of hearing to the claimant-appellant.

2. Learned counsel appearing on behalf of the appellant draws attention of this Court to the request for adjournment made vide a letter dated August 29, 2013 and submits that neither the claimant nor its authorized representative appeared before the learned Arbitrator on the date fixed for hearing i.e. August 29, 2013. The documents have been placed to show that the claimant travelled outside Chandigarh on the date scheduled for hearing of the arbitral proceedings. He submits that it has

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been wrongly recorded vide minutes dated August 29, 2013 that the claimant appeared before the learned Arbitrator. He draws the attention of this Court to paragraphs 8 and 9 of the impugned judgment dated March 12, 2015 to submit that the objection raised by the claimant/applicant in the application under Section 34 of the Arbitration and Conciliation Act, 1996 (hereinafter referred to as “the 1996 Act”) was not appreciated at all by the learned District Judge and therefore, he prays for setting aside of the impugned judgment and fresh consideration of the application under Section 34 of the 1996 Act.

3. Learned counsel appearing on behalf of respondent No.1 submits that not only the proprietor of the claimant-firm appeared before the learned Arbitrator on the scheduled date i.e. August 29, 2013 but written arguments were also supplied on its behalf by its consultant vide a covering letter dated August 31, 2013. She also refers to a letter dated September 01, 2013 issued by the learned Advocate appearing for the claimant to submit that the written arguments were handed over on August 31, 2013 and it was prayed that the same is taken into consideration.

4. Undisputedly, the written arguments were handed over on August 31, 2013 pursuant to an order dated August 29, 2013 passed by the learned Arbitrator and there was no whisper of the proprietor of the claimant firm not being present on August 29, 2013 in the aforesaid covering letter.

5. This Court has heard the learned counsel for the parties and perused the material on record.

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9. Furthermore, from a perusal of the letter dated September 01, 2013, it appears that the learned Advocate for the claimant reiterated the fact that the written arguments were handed over on August 31, 2013 and no objection with regard to the claimant being present in the meeting dated August 29, 2013 was raised. Thereafter, vide a purported letter dated September 01, 2013 for the first time it has been alleged that the claimant left the Arbitrator's office by 3:00 PM after taking an adjournment for submission of written arguments. The letter seeking adjournment that is heavily relied upon by the learned counsel for the appellant was also sought to have been handed over to the learned Arbitrator on the same day. However, there is no receipt or acknowledgment due on the said letter. The learned Arbitrator vide the impugned award has recorded that the written arguments on behalf of the claimant have been taken into consideration prior to the passing of the award. There is no reason for this Court to cast any suspicion with regard to the said findings of the learned Arbitrator. The learned Arbitrator has also recorded that the claimant was represented by its proprietor on the scheduled date of hearing i.e. August 29, 2013. No cogent reason has been brought on record to show why such a finding of fact by the learned Arbitrator is completely perverse or erroneous on the face of the record.

10. Vide the impugned judgment dated March 12, 2015 passed by the learned District Judge, it has been clearly held that the Court hearing an application under Section 34 of the 1996 Act is not an Appellate Court and cannot re-appreciate or re-appraise the evidence afresh adduced/evinced before the learned Arbitrator. The learned

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Arbitrator after going through the evidence had passed the impugned award and objections taken by the appellant-claimant in the application under Section 34 of the 1996 Act were held to be unsustainable.

11. It is well settled that the learned Arbitrator is the Master of adjudging the quality and quantity of evidence before him. It is the final fact finding authority.

12. The learned Arbitrator has clearly recorded that the sole proprietor of the claimant appeared before him on August 29, 2013 and prayed for time to file written arguments. Such prayer was allowed. The written arguments were handed over by a covering letter dated August 31, 2013 and the same was taken on record by the learned Arbitrator. The claimant itself prayed for the award being passed within the stipulated time i.e. September 08, 2013. Therefore, this Court finds no patent illegality or error apparent on the fact of the record.

13. It is well settled that the scope for interference in an application under Section 34 and an appeal under Section 37 of the 1996 Act is extremely limited. Reference can be made to the decision of the Apex Court in ***Associate Builders versus Delhi Development Authority***, (2015) 3 SCC 49. The relevant extract is reproduced hereinafter:-

“12. xxxxx xxxxxxxx xxxxxxx xxxxx xxxxx

It must clearly be understood that when a court is applying the “public policy” test to an arbitration award, it does not act as a court of appeal and consequently errors of fact cannot be corrected. A possible view by the arbitrator on facts has necessarily to pass muster as the arbitrator is the ultimate master of the quantity

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and quality of evidence to be relied upon when he delivers his arbitral. Thus an award based on little evidence or on evidence which does not measure up in in quality to a trained legal mind would not be held to be invalid on this score. Once it is found that the arbitrators approach is not arbitrary or capricious, then he is the last word on facts.

xxxx xxxxx xxxxx xxxxx xxxxx xxxxx

An arbitral tribunal must decide in accordance with the terms of the contract, but if an arbitrator construes a term of the contract in a reasonable manner, it will not mean that the award can be set aside on this ground. Construction of the terms of a contract is primarily for an arbitrator to decide unless the arbitrator construes the contract in such a way that it could be said to be something that no fair minded or reasonable person could do. It was 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 seeking to substitute its view for that of the arbitrator to do what it considers to be “justice”.

xxxx xxxxx xxxxx xxxxx xxxxx xxxxx”

14. *A beneficial reference may be made to the decision of the Apex Court in **Konkan Railway Corporation Limited vs. Chenab Bridge Project Undertaking**, (2023) 9 SCC 85. The relevant extract is reproduced hereinafter:-*

*“14. Analysis: At the outset, we may state that the jurisdiction of the Court under Section 37 of the Act, as clarified by this Court in **MMTC Ltd.***

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v. Vedanta Ltd., (2019) 4 SCC 163, is akin to the jurisdiction of the court under Section 34 of the Act. Scope of interference by a court in an appeal under Section 37 of the Act, in examining an order, setting aside or refusing to set aside an award, is restricted and subject to the same grounds as the challenge under Section 34 of the Act.

15. Therefore, the scope of jurisdiction under Section 34 and Section 37 of the Act is not akin to normal appellate jurisdiction.⁹ It is well-settled that courts ought not to interfere with the arbitral award in a casual and cavalier manner. The mere possibility of an alternative view on facts or interpretation of the contract does not entitle courts to reverse the findings of the Arbitral Tribunal.”

- 15. In the light of the aforesaid discussion, this Court finds no merit in the appeal. Accordingly, FAO-7602-2015 is **dismissed**.
- 16. No order as to costs.
- 17. Connected application(s), if any, shall also stand disposed of.

(LAPITA BANERJI)
JUDGE

16.07.2026
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Whether speaking/reasoned	Yes/No
Whether Reportable	Yes/No