



CR-6626-2024 (O&M)

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

**CR-6626-2024 (O&M)
Date of Decision: 20.08.2025**

Quadrant Televentures Limited

..... Petitioner

Versus

Elevar Digital Infrastructure Private Limited

..... Respondent

CORAM: HON'BLE MR. JUSTICE JASGURPREET SINGH PURI

Present: Mr. Akshay Bhan, Senior Advocate assisted by
Mr. Arjun Sheoran, Advocate and
Mr. Yashvardhan, Advocate,
for the petitioner.

Mr. Alok Mittal, Advocate for the respondent.

JASGURPREET SINGH PURI, J. (ORAL)

CM-445-CII-2025

For the reasons mentioned in the application, the same is allowed and the amended memo of parties is taken on record, subject to all just exceptions.

Registry is directed to tag the same at an appropriate place in the paperbook and also paginate the same.

Main case:

1. The present civil revision petition has been filed under Article 226/227 of the Constitution of India for setting aside the impugned order dated 06.11.2024 (Annexure P-1) passed by learned Additional District Judge, S.A.S. Nagar, Mohali whereby the application of the petitioner-Judgment Debtor seeking impounding of the arbitral award dated 25.05.2019 (Annexure P-2) and rejection of execution application has been dismissed.



2. Mr. Akshay Bhan, learned Senior Counsel appearing on behalf of the petitioner assisted by Mr. Arjun Sheoran, Advocate and Mr. Yashvardhan, Advocate while giving the brief facts of the case submitted that a dispute arose between the petitioner and the respondent and in the light of the Arbitration Clause in the Agreement, the matter was referred to an Arbitral Tribunal at Delhi. The Arbitral Tribunal thereafter passed an award dated 25.05.2019 vide Annexure P-2 in favour of the respondent and against the petitioner. Thereafter, an application under Section 34 of the Arbitration and Conciliation Act, 1996 (hereinafter referred to as “the Act”) was filed by the petitioner-Judgment Debtor in Delhi but the same was dismissed and thereafter, no appeal was filed and in this way, the award attained finality.

3. Learned Senior Counsel for the petitioner further submitted that in the meanwhile, the respondent-Decree Holder filed the execution proceedings before the Delhi High Court since the award was passed in Delhi. However, since the property of the petitioner-Judgment Debtor was situated in the State of Punjab the execution proceedings were withdrawn with a liberty to file the same before the competent Court at Punjab since as per the settled law, the execution proceedings are to be filed at any place across India where the property of the Judgment Debtor is situated. When the execution proceedings were filed at S.A.S. Nagar, Mohali in the State of Punjab, the petitioner, who is the Judgment Debtor filed an application vide Annexure P-10 for impounding of the document of Arbitral Award since the adequate and requisite stamp duty was not paid. However, the application filed by the petitioner-Judgment Debtor was dismissed by way of the order dated 06.11.2024 (Annexure P-1) which has been impugned in the present revision petition.

4. Learned Senior Counsel for the petitioner while advancing his



arguments has referred to the operative part of the award wherein the claimant who is the respondent herein was held entitled for different amounts incorporated in the concluding part of the award wherein under different heads the amount has been mentioned and in one head the interest component is also awarded. He further submitted that in total the principal amount comes out to be ₹79.89 Crores (almost ₹80 Crores) and including interest on the aforesaid principal amount comes out to be around ₹99.33 Crores (approximately ₹100 Crores) which is calculated w.e.f. 01.03.2017 till the date of the passing of the award i.e. 25.05.2019 and in this way the total amount which the decree holder was held entitled to till the culmination of the award i.e. 25.05.2019 came out to be around ₹100 Crores as aforesaid. However, the respondent-Decree Holder paid the stamp duty @ 0.1% which is applicable to the State of Delhi only on the total amount of ₹80 Crores but omitted to pay stamp duty on the remaining amount of ₹20 Crores and in this way the stamp duty paid by the respondent-Decree Holder was deficient and because of this reason, the petitioner-Judgment Debtor has filed the application vide Annexure P-2, which has been declined by way of the impugned order.

5. Learned Senior Counsel for the petitioner also submitted that the aforesaid figures so stated by him are not in dispute. However, the only controversy involved in the present case would be as to whether the stamp duty is to be paid on the aforesaid total amount of ₹99.33 Crores (about ₹100 Crores) or only on the principal amount of ₹80 Crores. Admittedly, the respondent had paid the stamp duty only on ₹80 Crores and not on ₹100 Crores. In this regard, he referred to the provisions of Section 31(7)(a) of the the Act to contend that a plain reading of the aforesaid provision would show that till the date of the passing of the award, an interest so awarded would be



included in the total “sum” so awarded and in view of the aforesaid provision of the Act, the total sum was ₹99.33 Crores and not ₹79.89 Crores and therefore, in terms of the provisions of the Indian Stamp Act, 1899, the total stamp duty which was required to be paid was at least on ₹99.33 Crores but admittedly the same has not been paid and hence the document was required to have been impounded under Section 33 of the Indian Stamp Act and the learned Court has erroneously declined the prayer of the petitioner for impounding of the document. He also submitted that the provisions of the Indian Stamp Act are mandatory in nature and once it comes to the knowledge of the Court that the stamp duty was deficient then it ought to have been impounded.

6. Learned Senior Counsel for the petitioner with regard to the same has referred to a judgment passed by Hon’ble Supreme Court in “*Hyder Consulting (UK) Limited Vs. Governer, State of Orissa*”, (2015) 2 SCC 189 and in a subsequent judgment passed by Hon’ble Supreme Court in *Civil Appeal No.3657 of 2022* titled as “*Delhi Airport Metro Express Private Limited Vs. Delhi Metro Rail Corporation*”, decided on 05.05.2022 and submitted that the aforesaid provision of Section 31(7)(a) of the Act has been elaborately discussed and interpreted by Hon’ble Supreme Court wherein it has been so held that the interest awarded under Section 31(7)(a) of the Act, till the time of the passing of the award, would be a part of the total sum and therefore, it is a part of the total sum and the stamp duty was required to have been paid on the said total sum which has not been paid in the present case. He also referred to a latest judgment passed by Hon’ble Supreme Court passed in *Civil Appeal No.3461 of 2025* titled as “*M/s Interstate Construction Vs. National Projects Construction Corporation Limited*”, decided on 15.05.2025. Learned



Senior Counsel has submitted that in this way once as per the aforesaid judgments of Hon'ble Supreme Court, the total sum which is to be considered by the learned Court was the total amount including the interest component being a part of the award then the stamp duty was required to have been paid upon the total sum and not only on the principal amount of ₹79.89 Crores. He further submitted that the reliance made on the provisions of Section 23 of the Indian Stamp Act, 1899 by the learned Executing Court was misplaced in view of the fact that as per the provisions of Section 23 of the Indian Stamp Act, it only provides that on the interest post award, no stamp duty is to be paid whereas in the present case, the interest was a part of the "sum" and therefore, the impugned order is totally erroneous and is liable to be set aside.

7. On the other hand, Mr. Alok Mittal, learned counsel appearing on behalf of the respondent-Decree Holder has submitted that so far as the aforesaid figures so stated by learned Senior Counsel for the petitioner are concerned, the same are not in dispute. He specifically submitted before this Court that the aforesaid figure of ₹79.89 Crores which is stated to be of the principal amount as per the concluding part of the award, is admitted and correct and after adding the interest component till the passing of the award on 25.05.2019, it comes out to be ₹99.33 Crores, regarding which, there is no dispute. In this way, so far as the aforesaid factual position is concerned, he submitted that there is no dispute.

8. Learned counsel for the respondent has, however, submitted that on the issue of law as per the provisions of Section 31(7)(a) of the Act, the interest has to be a different component as compared to the principal amount. While referring to the aforesaid provision, he submitted that the aforesaid



provision is only an enabling provision which provides that the Arbitral Tribunal may award interest on the principal amount and therefore, by no stretch of imagination it can be said that interest is also a component of the total sum amount. He further submitted that that is the reason as to why stamp duty was paid only on ₹79.89 Crores at the prevalent rate in Delhi and not on the interest amount.

9. Learned counsel for the respondent further referred to the provisions of Section 23 of the Indian Stamp Act and submitted that as per the aforesaid Act, the interest component is not to be charged for the purpose of calculation of stamp duty and that is why, the learned Executing Court by way of the impugned order relied upon the aforesaid provision of Section 23 of the Indian Stamp Act and therefore, the stamp duty which was paid by the respondent-Decree Holder was perfectly in accordance with law being paid only on ₹79.89 Crores.

10. Learned counsel for the respondent also submitted that at the time when the notice of motion was issued by this Court on 14.11.2024, he had stated that the respondent-Decree Holder is prepared to deposit the deficit stamp duty as per his calculation by reserving his right to argue on merits, with the Registrar General of this Court within a fortnight and thereafter, as per his calculations, he has already deposited ₹4,12,816/- with the Registrar General of this Court.

11. Learned counsel for the respondent further submitted that the expression “*sum*” has been used in Section 31(7)(a) of the Act and not in the provisions of Section 23 of the Indian Stamp Act.

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



13. The issue involved in the present case is as to whether the amount which is so awarded by the Arbitral Tribunal and by categorizing the same as an amount in the first part and the interest on the second part would be a total sum amount as per the provisions of Section 31(7)(a) of the Act or not. The issue attains a relevance for the purpose of paying the stamp duty as to on which part of the amount so awarded, the stamp duty is to be paid. Before proceeding further, it will be imperative to reproduce the operative part of the award, which is at Page No.165 of the paperbook and the same is as under:-

“Conclusion:

308. In summary, the Claimant is entitled to following amounts:

- (i) Rs.13,22,73,649/- and Rs.6,63,21,775/- towards the outstanding Monthly charges and Power & fuel/Diesel charges respectively under Issue No.1;*
- (ii) The Claimant is awarded interest @1.5% over the applicable SBI PLR per annum on the aforesaid amount under (I) from 1st March, 2017 till realisation;*
- (iii) Rs.1,93,73,703/- towards the Billed Interest (calculated up to Feb. 2016 and Rs.41,65,852.99/- (calculated for the period March 1, 2016 to March 31, 2017) i.e., towards the Unbilled Interest, under Issue No. 2;*
- (iv) The Claimant is awarded interest on the amount of billed and unbilled Interest under (ii) @ 12% per annum from the date of the Award till realisation;*
- (v) Rs.58.11 Crores towards exit charges under Issue No.4; and*
- (vi) The Claimant is awarded interest on the aforesaid amount of exit charges @12% per annum from 1st February 2017 till realisation.”*



14. A perusal of the aforesaid would show that the learned Arbitrator in the opening lines has so observed that “the claimant is entitled to the following amounts”. Thereafter, the amounts to which the claimant was entitled, as aforesaid, has been segregated into different parts. Each part is further segregated into the principal amount and the interest upon the same. As per the learned counsels for the parties, the undisputed position pertaining to the figures is that the total principal amount comes out to be ₹79.89 Crores and after adding the interest so awarded by the learned Arbitrator as reproduced above, it comes out to be ₹99.33 Crores. This total amount, as aforesaid, is calculated upto 25.05.2019 i.e. when the award was passed. In this way, the interest part is only till the time the award was made. This factual position is not disputed by any of the learned counsels for the parties.

15. This issue as to whether the total amount as so incorporated in the award including the interest component is the sum which is to be interpreted in the nature of a total sum amount under Section 31(7)(a) of the Act or not has been discussed in detail and the law in this regard has been laid down by Hon’ble Supreme Court in *Hyder Consulting (UK) Limited’s case (Supra)*. The relevant portion of the aforesaid judgment is reproduced as under:-

“26. Section 31(7)(a) of the Act deals with grant of pre-award interest while sub-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, would be the period attracting interest. Similarly, post-award interest is to ensure speedy payment in compliance of the award. Pre-award interest is at the discretion of Arbitral Tribunal, while the post-award interest on the awarded sum is mandate of 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.

27. Section 31(7)(a) employs the words "...the arbitral tribunal may include in the sum for which the award is made interest...". The words "include in the sum" are of utmost importance. This would mean that pre- award interest is not independent of the "sum" awarded. If in case, the Arbitral Tribunal decides to award interest at the time of making the award, the interest component will not be awarded separately but it shall become part and parcel of the award. An award is thus made in respect of a "sum" which includes within the "sum" component of interest, if awarded.

28. Therefore, for the purposes of an award, there is no distinction between a "sum" with interest, and a "sum" without interest. Once the interest is "included in the sum" for which the award is made, the original sum and the interest component cannot be segregated and be seen independent of each other. The interest component then loses its character of an "interest" and takes the colour of "sum" for which the award is made.

29. There may arise a situation where, the Arbitral Tribunal may not award any amount towards principal claim but award only "interest". This award of interest would itself then become the "sum" for which an award is made under Section 31(7)(a) of the Act. Thus, in a pre-



award stage, the legislation seeks to make no distinction between the sum award and the interest component in it.

30. Therefore, I am inclined to hold that the amount awarded under Section 31(7)(a) of the Act, whether with interest or without interest, constitutes a "sum" for which the award is made.

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...". Sub-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 sub-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 sub-clause (a).

32. Therefore, in my view, the expression "grant of interest on interest" while exercising the power under Section 31(7) of the Act does not arise and, therefore, the Arbitral Tribunal is well empowered to grant interest even in the absence of clause in the contract for grant of interest.

33. My aforesaid interpretation of Section 31(7) of the Act is based on three golden rules of interpretation as explained by Justice G.P. Singh - Interpretation of Statute (13th Edition- 2012) where the learned author has said that while interpreting any Statute, language of the provision should be read as it is and the intention of the legislature should be gathered primarily from the



language used in the provision meaning thereby that attention should be paid to what has been said as also to what has not been said; second, in selecting out of different interpretations "the Court will adopt that which is just, reasonable, and sensible rather than that which is none of those things" ; and third, when the words of the Statute are clear, plain or unambiguous, i.e., they are reasonably susceptible to only one meaning, the Courts are bound to give effect to that meaning irrespective of the consequence (see pages 50, 64, and 132). I have kept these principles in mind while interpreting Section 31(7) of the Act.

16. Thereafter again, Hon'ble Supreme Court in ***Delhi Airport Metro Express Private Limited's case (Supra)*** has reiterated the aforesaid proposition of law and the relevant portion of the same is reproduced as under:-

"13. It could thus be seen that the majority view of this Court in the case of Hyder Consulting (UK) Limited (supra) is that the sum awarded may include the principal amount and such interest as the Arbitral Tribunal deems fit. It is further held that, if no interest is awarded, the "sum" comprises only the principal amount. The majority judgment held that clause (a) of sub-section (7) of Section 31 of the 1996 Act refers to the total amount or sum for the payment for which the award is made. As such, the amount awarded under clause (a) of sub-section (7) of Section 31 of the 1996 Act would include the principal amount plus the interest amount pendente lite. It was held that the interest to be calculated as per clause (b) of sub-section (7) of Section 31 of the 1996 Act would be on the total sum arrived as aforesaid under clause (a) of sub-section (7) of Section 31 of the 1996 Act. S.A. Bobde, J. in his judgment, has referred to various authorities of this Court as well as Maxwell on



the Interpretation of Statutes. He emphasized that the Court must give effect to the plain, clear and unambiguous words of the legislature and it is not for the Courts to add or subtract the words, even though the construction may lead to strange or surprising, unreasonable or unjust or oppressive results.”

17. Hon’ble Supreme Court in *M/s Interstate Construction’s case (Supra)* has again discussed the aforesaid proposition of law. The relevant portion of the aforesaid judgment is reproduced as under:-

“44. It has been held that the sum awarded would mean the principal amount plus the interest awarded from the date of cause of action upto the date of the award. The sum awarded in Section 31(7)(a) would mean principal amount plus the interest awarded. Thereafter, as per Section 31(7)(b) of the 1996 Act, the sum (principal amount+interest) would carry further interest at the rate of 2 per cent higher than the current rate of interest prevalent on the date of the award to the date of payment.”

18. The provision of Section 31(7)(a) of the Act is reproduced as under:-

“31(7)(a). Unless otherwise agreed by the parties, where and insofar 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.”

19. The ratio of the aforesaid judgment would be that there can be no distinction between a ‘sum with interest’ and a ‘sum without interest’. It was



specifically observed by Hon'ble Supreme Court in *Hyder Consulting (UK) Limited's case (Supra)* that once the interest is included in the sum for which the award is made, then the original sum and the interest component cannot be segregated and can not be seen independent of each other. It was further observed that the interest component then loses its character of "*interest*" and takes the color of "*sum*" for which the award is made.

20. Learned Executing Court by way of the impugned order relied upon the provisions of the Section 23 of the Indian Stamp Act and on that basis, the application filed by the petitioner was dismissed. A perusal of Section 23 of the Indian Stamp Act would show that it provides that "*Where interest is expressly made payable by the terms of an instrument, such instrument shall not be chargeable with duty higher than that which it would have been chargeable had no mention of interest been made therein*". It was the case of learned Senior Counsel for the petitioner that by virtue of Section 31(7)(a) of the Act and as per the judgments of Hon'ble Supreme Court in the aforementioned cases, the total amount is a sum of principal amount along with interest till the date of passing of the arbitral award and therefore, it was incumbent upon the respondent to have paid stamp duty on the entire sum amount which is to be calculated till the time of the passing of the award whereas it was the argument of the learned counsel for the respondent that by virtue of Section 23 of the Indian Stamp Act, the stamp duty is not chargeable on the interest component. Therefore, this Court is of the considered view that the reliance, which has been placed by the learned Executing Court on Section 23 of the Indian Stamp Act by way of the impugned order, is totally misconceived. It is, therefore, now a settled position of law that till the time of passing of the award, if any, interest is granted then in that situation it will be a



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total amount or sum and the same cannot be segregated from the principal amount although the expression '*principal amount*' is not so specifically mentioned anywhere but the amount which the decree holder has been held entitled to by way of the award is the total sum amount on which the stamp duty is to be paid. In this view of the matter, it was obligatory upon the respondent-Decree Holder to have paid the stamp duty on the total amount which comes out to be ₹99.33 Crores for which the Decree Holder has been held to be entitled by the Arbitral Tribunal. Therefore, the total stamp duty which has been paid only on ₹80 Crores was deficient, hence, the impugned order which has been passed by the learned Executing Court is erroneous and is liable to be set aside.

21. Consequently, the present petition is allowed. The impugned order dated 06.11.2024 (Annexure P-1) is hereby set aside. The Executing Court is hereby directed to pass an appropriate fresh order in the light of the present order for taking further necessary steps pertaining to impounding of the documents as expeditiously as possible and preferably within a period of 4 weeks.

22. The respondent-Decree Holder shall be at liberty to move any appropriate application for release of the amount already deposited with the Registrar General of this Court vide order dated 18.12.2024.

23. Since the main case has been allowed, all the pending applications also stand disposed of.

20.08.2025
Bhumika

(JASGURPREET SINGH PURI)
JUDGE

1. Whether speaking/reasoned:	Yes/No
2. Whether reportable:	Yes/No