

2026:PHHC:083537



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

RSA-3691-2025 (O&M)

Date of Decision: 26.05.2026

K.V. AUTOMOTIVE COMPONENTS AND ANOTHER

...Appellants

Versus

G.K. MANUFACTURING

...Respondent

CORAM: HON'BLE MR. JUSTICE PARMOD GOYAL

Present: Mr. Nippun Sharma, Advocate
for the appellants.

PARMOD GOYAL, J. (ORAL)

Present regular second appeal has been preferred by appellants/defendants being aggrieved by concurrent findings of facts recorded by impugned judgment and decree dated 18.11.2023, passed by learned Civil Judge (Junior Division), Jalandhar and judgment and decree dated 17.07.2025, passed by learned District Judge, Jalandhar, whereby suit preferred by respondent/plaintiff under Order 37 Rule 1 of CPC for recovery of Rs.4,76,320/- along with interest was decreed and first appeal preferred by appellants/defendants was dismissed.

2. Respondent/plaintiff had preferred suit for recovery on the ground that respondent/plaintiff had supplied to the appellants/defendants products namely equalizer pin, equalizer bolt kit, bush, etc. on credit basis vide bills dated 17.12.2014, 18.12.2014, 06.01.2015, 27.01.2015 and 28.01.2025 total amounting to Rs.7,49,545/-. Against total outstanding amount of Rs.7,49,545/-, Rs.2,76,450/- was duly paid by appellants/

defendants and remaining balance amount of Rs.4,76,320/- remained unpaid. It was asserted that thereafter also appellants/defendants had issued cheque bearing No.319294 amounting for Rs.1,84,400/- drawn on State Bank of India, Phagwara Branch. Thereafter, another cheque bearing No.705531 amounting for Rs.1,53,225/- was issued which was dishonoured and cheques No.000144 and No.000145 were duly paid and cleared on 15.06.2015. Appellants/defendants also issued cheque bearing No.000146 amounting for Rs.50,000/- drawn on HDFC Bank, Railway Road, Branch Phagwara which was not presented on the request of appellants/defendants and last payment was made on 19.09.2015 amounting for Rs.20,000/- and amount of Rs.4,76,320/- remained unpaid and, therefore, suit for recovery was preferred.

3. Appellants/defendants vide their written statement took number of preliminary objections with regard to maintainability etc. It was stated that it was respondent/plaintiff who had approached the appellants/defendants for selling the products which were purchased by appellants/defendants on assurance of high quality, however, material supplied by respondent/plaintiff against various invoices was found to be substandard. The same was duly inspected by respondent/plaintiff and respondent/plaintiff had assured supply of fresh material. It was asserted that respondent/plaintiff has also taken away inferior quality of material amounting to Rs.95,620/-. Appellants/defendants never raised any objection in view of past good relations, however, material was not supplied by respondent/plaintiff despite various requests. It was claimed that suit has been filed with manipulation of bills, account books and VAT returns. It was asserted that appellants/defendants are entitled to Rs.95,620/- regarding the

material returned. Dismissal of suit was prayed for.

4. Both the Courts below after considering pleadings as well as evidence led by both the parties had concluded that respondent/plaintiff has succeeded in proving that vide bills Ex.P1 to P5 he had duly supplied material worth Rs.7,49,546/-.

5. The above noted conclusion drawn by both the Courts in view of pleadings and evidence led by parties cannot be faulted with. In fact, appellants/defendants have not denied supply of goods vide various invoices and there is no specific denial of invoices duly mentioned by respondent/plaintiff in his plaint. The simple case of appellants/defendants was that goods so supplied by respondent/plaintiff were of substandard quality. That respondent/plaintiff had agreed to replace the same, however, despite having taken back substandard goods supplied earlier worth Rs.95,620/- respondent/plaintiff did not replace the goods and, therefore, appellants/defendants are not liable to make payment for the substandard material. However, the assertions regarding substandard material is based upon oral testimony of DW1-Chandandeep Singh (Proprietor of K.V. Automotive Components) and DW2-Manoj Kumar. Except for self-serving oral statements, no material has been brought on record that the quality of goods so supplied to appellants/defendants was not as per standard agreed between the parties.

6. It is worth mentioning that goods were supplied in the year 2014/15 whereas suit was filed only on 04.01.2018 and from 2014/15 to 2018 no protest/complaint was ever lodged by appellants/defendants against supply of substandard goods. Appellants/defendants had also not made any request for replacement of goods as being asserted now.

Appellants/defendants have failed to prove that books of accounts and bills issued by respondent/plaintiff are forged or fabricated. No evidence in this regard was led except for making oral assertions. It is worth noticing that appellants/defendants have duly paid Rs.2,76,450/- through cheques duly encashed on 15.06.2015 and 19.09.2015 respectively. Conclusion of Courts below is based upon correct appreciation of evidence of both the sides. Therefore, the conclusion drawn by learned Courts below that appellants/defendants had defaulted in making payment of Rs.4,76,320/- cannot be interfered and finding of learned Courts below is affirmed.

7. Learned counsel for appellants/defendants has argued that present suit is barred by limitation. There are five bills i.e. Bill No.61 dated 17.12.2014 for Rs.2,11,200/-, Bill No.62 dated 18.12.2014 for Rs.1,40,800/-, Bill No.64 dated 06.01.2015 for Rs.1,53,225/-, Bill No.71 dated 27.01.2015 for Rs.1,36,800/- and Bill No.72 dated 28.01.2015 for Rs.1,07,520/-. Admittedly, suit was filed on 04.01.2018, therefore, Bill No.64 dated 06.01.2015 for Rs.1,53,225/-, Bill No.71 dated 27.01.2015 for Rs.1,36,800/- and Bill No.72 dated 28.01.2015 for Rs.1,07,520/- are well within limitation period of three years, even if it is held that limitation period was three years from date of receipt of goods. As far as Bill No.61 dated 17.12.2014 for Rs.2,11,200/- is concerned, same stands paid in view of the fact that amount of Rs.2,76,450/- stood paid and out of Bill No.62 dated 18.12.2014 amounting to Rs.1,40,800/-, only Rs.74,550/- is left unpaid.

8. It is the case of appellants/defendants that the said amount is beyond limitation of three years as prescribed under Article 52 of Limitation Act, 1963. It is asserted that since present is a case wherein goods were supplied, therefore, period of limitation would start on the date of receipt of

goods and not from date of last bill. Admittedly, in the present case, goods were being supplied on credit basis and running account was being maintained by respondent/plaintiff. It is also not in dispute that payments against running account that stood outstanding were duly made by appellants/defendants on 15.06.2015 and 19.09.2015. Payment made by appellants/defendants on 15.06.2015 and 19.09.2015 in fact accounts to acknowledgment of debt under Section 19 of Limitation Act, 1963. Moreover, in the present case, there is no evidence on record to conclude that goods billed vide bill dated 18.12.2014 were received by appellants/defendants prior to 05.01.2015. Therefore, the very basis upon which appellants/defendants are trying to bring their case under Article 52 of Limitation Act, 1963 does not exist. The onus to prove that claim of respondent/plaintiff was beyond limitation had shifted to appellants/defendants, once acknowledgment by way of part payment has been shown by respondent/plaintiff. In view of acknowledgment of debt in running account, limitation period would run from the date of acknowledgment i.e. from 19.09.2015 since the suit was filed on 04.01.2018, hence, suit is well within limitation.

9. Learned counsel for appellants/defendants has placed reliance upon judgment of Hon'ble Kerala High Court titled as **Narayana Pillai Vs. Narayanan Vanajakshi**, 1957 AIR Kerala 93, same is of no help to the case of appellants/defendants in view of above noted discussion. As in the present case, appellants/defendants have already acknowledged debt vide cheque payment which was on account of supply of goods against which part payment was made. Present is not a case where amount paid was against one of the bills, but was against running bills i.e. against total amount payable as

per account books maintained by respondent/plaintiff.

- 10. There is no merit in the present appeal, hence is dismissed.
- 11. Pending application(s), if any, is/are disposed of accordingly.

26.05.2026
chiranjeev

(PARMOD GOYAL)
JUDGE

Whether Speaking/Reasoned : Yes/No
Whether Reportable : Yes/No