

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

FAO No.1382 of 2011 (O&M)
Date of decision : 20.08.2015

M/s Lajpat Agro Pvt. Ltd.

...Appellant

Versus

Punjab State Civil Supply Corporation Ltd. and another

...Respondents

CORAM: HON'BLE MR. JUSTICE AMIT RAWAL.

1. Whether reporters of local newspapers may be allowed to see judgment ?
2. To be referred to reporters or not ?
3. Whether the judgment should be reported in the Digest ?

Present: Mr. Vikas Behl, Sr. Advocate with
Ms. Samay Singh, Advocate for the appellant.

Ms. Deepali Puri, Advocate for the respondents.

AMIT RAWAL, J. (Oral)

Challenge in the present appeal is to the order dated 16.10.2010, whereby objections filed by the appellant against the award dated 30.08.2004, have been dismissed.

Mr. Vikas Behl, learned Senior Advocate assisted with Ms. Samay Singh, learned counsels appearing on behalf of appellant submits that learned District Judge has dismissed the objections in a most erroneous, much less, fallacious manner inasmuch as that award apparently amounts to undue enrichment to the PUNSUP. He has referred to the relevant page of the award, whereby it has been pointed out that Arbitrator has awarded a

compensation of ₹27,66,256/- against the shortfall to the cost of 2848.58 quintals common rice @ ₹971.10 per quintals and ₹3,90,431/- towards cost of 27022 gunnies retained by the respondent. He further submits that cost of shortfall of ₹971.10 also includes cost of bag & sales tax & machine stitching as per R-5/2 & Ex.C-1/A. Even, the Arbitrator had exceeded in its jurisdiction and, therefore, objections duly filed, were, within the parameters of Section 34 of the Arbitration and Conciliation Act, 1996 (hereinafter to be referred as 'the Act') and, thus, prays that impugned order on this ground is liable to be set aside.

Ms. Deepali Puri, learned counsel appearing on behalf of respondents-PUNSUP submits that there is no undue enrichment to the respondent as claims aforementioned pertaining to the gunny bag retained by the respondent and the shortfall of the rice includes price of the gunny bag. Both are of two different heads and, therefore Arbitrator has not exceeded in its jurisdiction in awarding the amount of compensation and objections filed at the instance of the Miller do not fall within the purview of Section 34 of the Act and thus has rightly been dismissed by learned District Judge.

I have heard learned counsel for the parties and appraised the paper book.

I have gone through the award, operative part of the award read thus:-

<i>“II (1) Cost of shortfall of 2848.58 qtl.</i>	
<i>common rice @ Rs.971.10 per qt.</i>	<i>2766256.00</i>
<i>(2) Less amount already deposited</i>	
<i>against shortfall of common rice</i>	<i>2615053.00</i>

<i>(3) Less amount deposited on alleged settlement of account</i>	<i>6980.00</i>
<i>(4) Cost of 27022 gunnies retained by the respondent</i>	<i>390431.00</i>
<i>(5) Sale Tax @ 4.4%</i>	<i>17179.00</i>
<i>(6) T.D.S.</i>	<i>8840.00</i>
<i>(7) Quality Cuts</i>	<i>8944.00”</i>

The Arbitrator has awarded compensation, aforenoticed, under two Heads one for the shortfall of the common rice which includes the element of gunnies and another for cost of gunnies bag determined by the PUNSUP, as has been described in Ex.C-1A which includes cost of rice, Gunnies bag, sales tax and machine stitching, which is arrived at ₹971.10 per quintals.

Learned District Judge has decided the objections keeping in view provision of Section 34 of the Act as well as parameters laid down by various judgments of Hon'ble Supreme Court and held that interference under Section 34 is limited to the ones prescribed under the Act. The appellant-defendant has been unable to point out the objections which in fact factually and actually fall within the ambit of Section 34.

There is no illegality and perversity in the order under challenge.

In view of what has been observed above, the present appeal is accordingly dismissed.

20.08.2015

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**(AMIT RAWAL)
JUDGE**