

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

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**FAO No.200 of 2014 (O&M)
Date of Decision : 29.01.2018**

M/s Kamal Motors and another

..... Appellants

Versus

M/s H.M.T. Limited and others

..... Respondents

CORAM : HON'BLE MR.JUSTICE AJAY TEWARI

Present : Mr. Inderjit Kaushal, Advocate
for the appellants.

Mr. Lalit Thakur, Advocate
for respondent No.1.

AJAY TEWARI, J. (Oral)

This appeal has been filed against the order of the Additional District Judge, Panchkula dismissing an application under Section 34 of the Arbitration and Conciliation Act, 1996 (for short the Act) filed by the appellants.

The admitted facts are that the appellant No.1 was a dealer of respondent No.1 from the period 1995-1996 to 31.03.2006. As per the respondent No.1 every year the dealership was extended by an independent Memorandum of Understanding otherwise there was a regular business between the parties and every year regular accounts were maintained and every year the statement of account was sent to the appellants. The present arbitration was invoked for recovery of Rs.53.00 lacs odd. The case of the appellants was that there was a business relationship between the parties but

the claim raised in the present dispute was barred by limitation. The arbitrator having allowed the claim and the Court having dismissed the petition under Section 34 of the Act parties are before this Court.

Learned counsel for the appellants has reiterated his argument.

In my opinion there is no contradiction between a regular business relationship which has to be renewed every year. The renewal and the regularity of the business operate in different fields. More so the arbitrator has held that every year a statement of account was forwarded by the respondents to the appellants which was never objected to by the appellants. As regards limitation the arbitrator had relied upon a letter dated 22.01.2008 (exhibit P-28) whereby the appellants had admitted its liability and held that by this letter the limitation had got extended. The Additional District Judge, Panchkula dismissed the objections under Section 34 of the Act holding rightly that the stringent condition of Section 34 of the Act had not been met.

Learned counsel for the appellants has not been able to show me how the case falls within the strict parameters of Section 34 of the Act.

Appeal is dismissed.

Since the main case has been decided, the pending civil miscellaneous application, if any, also stands disposed of.

(**AJAY TEWARI**)
JUDGE

29.01.2018

Pooja sharma-I

Whether speaking/reasoned	-	Yes/No
Whether reportable	-	Yes/No