

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

FAO-2674-2019(O&M)

Date of Decision: 23rd February, 2023

India Yamaha Motor Pvt. Ltd. Thr its authorised signatory

... Appellant

Versus

Balwinder Singh Gill, Proprietor of M/s Gill Automobiles

... Respondent

CORAM : HON'BLE MR. JUSTICE AVNEESH JHINGAN

Present : Mr. Gunjan Rishi, Advocate for the appellant.

Mr. Arvinder Singh, Advocate for the respondent.

AVNEESH JHINGAN , J.(Oral)

1. This appeal is filed under Section 37 of the Arbitration and Conciliation Act, 1996 (for short 'the Act') aggrieved of dismissal of objection under Section 34 of the Act.

2. The brief facts are that the parties entered into a dealership agreement. The clauses of the agreement provided for mechanism for dispute resolution through arbitration. The dispute between the parties was referred to the arbitrator and the proceedings culminated in award dated 1st December, 2007.

3. Apart from other amounts awarded, respondent was found entitled to repayment of security deposit of rupees two lakh along with interest of twelve percent per annum from the date of filing of the civil suit.

4. The only grievance raised by the counsel for the appellant is that while deciding issues No. 7 and 8, twice the relief of interest was given.

5. Learned counsel for the respondent fairly submits that there is an inadvertent repetition while deciding issues No. 7 and 8 with regard to the grant of interest.

6. Before proceeding further it would be relevant to reproduce issues No. 7 and 8 framed by arbitrator :-

“ 7. Whether the claimant is entitled to refund of security deposit of Rs. 2 lac or whether this amount could be adjusted by the respondent towards recovery of any amount due to it?

8. Whether the claimant is entitled to interest on the amounts due from the respondent and if so at what rate.”

7. From the reading of the issue, it is evident that awarding of interest was not subject matter in issue No. 7. The interests was to be dealt in issue No. 8.

8. There is no quarrel on proposition that under Section 37 of the Act, the award cannot be modified. However, in present case the inadvertent duplication needs to be clarified. The harmonious reading of the conclusion of issues No. 7 and 8 is that respondent shall be entitled to twelve percent interest on repayment of security deposit from 6th November, 2002 till the amount awarded is paid to the respondent.

9. The appeal is accordingly disposed of.

**(AVNEESH JHINGAN)
JUDGE**

23rd February, 2023

Parveen Sharma

Whether reasoned/speaking

Yes/No

Whether reportable

Yes/No