



**CM-12698-CII-2024 in/and
FAO-2255-2024**

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

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**CM-12698-CII-2024 in/and
FAO-2255-2024
Date of decision:20.08.2024**

**UTTAR HARYANA BIJLI VITRAN NIGAM LTD AND ANR
...APPELLANTS**

VERSUS

**M/S PARSHADAMAL MUKANDILAL RICE SHELLER AND ANR
...RESPONDENTS**

CORAM: HON'BLE MR. JUSTICE SUVIR SEHGAL

Present: Mr. Puneet Jindal, Senior Advocate with
Ms. Navroop Jawanda, Advocate for the appellants.

Mr. Ashok Gupta, Advocate for respondent No.1.

SUVIR SEHGAL, J.

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1. With the consent of the parties, the date of hearing of the main appeal is preponed from 20.11.2024 to today and it is ordered to be taken on Board.

2. This appeal has been filed under Section 37 of the Arbitration and Conciliation Act, 1996, (for short "the Act") assailing order dated 02.02.2024 passed by the learned District Judge, Panchkula. The dispute lies in a very narrow compass. Respondent No.1 was running a rice sheller in Ambala and was consuming electricity supplied by the appellant. Challenging some of the sales circulars issued by the appellant, it filed a civil suit for declaration. The matter was referred to arbitration by the learned Additional Civil Judge (Sr.



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Divison) vide order dated 18.07.2008. Respondent No.2 was appointed as the Arbitrator and respondent No.1 raised some claims before him. On 18.01.2022, the arbitral tribunal passed an award, Annexure A-1, whereby respondent No.1 was held entitled to an amount of Rs.7,22,940/- alongwith interest. Dissatisfied with the award, appellant filed objection petition under Section 34 of the Act, which has been dismissed by the learned Additional District Judge, Panchkula, vide impugned order holding that the objection petition is barred by limitation.

3. By making a reference to order dated 10.01.2022 passed by the Supreme Court in **Cognizance for Extension of Limitation, In Re (2022) 3 SCC 117**, Mr. Puneet Jindal, learned Senior Counsel has argued that after excluding period from 15.03.2020 till 28.02.2022, from the prescribed period of limitation, the objections have been instituted within the period as laid down under Section 34(3) of the Act.

4. Per Contra, Mr. Ashok Gupta, counsel for respondent No.1 submits that this period is liable to be excluded only if the limitation expires during the aforesaid period.

5. Having heard counsel for the parties and after considering their respective submissions, this Court is of the view that the impugned order deserves to be set aside. The relevant extract of the direction passed by the Supreme Court vide order dated 10.01.2022, is reproduced hereunder:-

“5. Taking into consideration the arguments advanced by the learned counsel and the impact of the surge of the virus on public health and adversities faced by litigants in the prevailing conditions, we deem it appropriate to dispose of MA No. 21 of 2022 with the following directions:

5.1. The order dated 23-3-2020 is restored and in continuation of the subsequent orders dated 8-3-2021, 27-



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4-2021 and 23-9-2021, it is directed that the period from 15-3-2020 till 28-2-2022 shall stand excluded for the purposes of limitation as may be prescribed under any general or special laws in respect of all judicial or quasi-judicial proceedings.

5.2. Consequently, the balance period of limitation remaining as on 3-10-2021, if any, shall become available with effect from 1-3-2022.

5.3. In cases where the limitation would have expired during the period between 15-3-2020 till 28-2-2022, notwithstanding the actual balance period of limitation remaining, all persons shall have a limitation period of 90 days from 1-3-2022. In the event the actual balance period of limitation remaining, with effect from 1-3-2022 is greater than 90 days, that longer period shall apply.

5.4. It is further clarified that the period from 15-3-2020 till 28-2-2022 shall also stand excluded in computing the periods prescribed under Sections 23(4) and 29/A of the Arbitration and Conciliation Act, 1996, Section 12/A of the Commercial Courts Act, 2015 and provisos (b) and (c) of Section 138 of the Negotiable Instruments Act, 1881 and any other laws, which prescribe period(s) of limitation for instituting proceedings, outer limits (within which the court or tribunal can condone delay) and termination of proceedings.”

6. It is clear from the above reproduction that the entire period from 15.03.2020 to 28.02.2022 has to be excluded for the purposes of limitation under any general or special law in respect of all judicial and quasi judicial proceedings. The award, Annexure A-1, in the present case was passed on 18.01.2022. The effect of the order passed by the Supreme Court is that the limitation for filing objections to the award would not start till 01.03.2022. The

objections were preferred by the appellant on 18.05.2022. When computed

from 01.03.2022, the objections are within the period of 90 days as prescribed under Section 34(3) of the Act. The argument raised by counsel for respondent No.1 simply deserves to be rejected. He has placed the entire stress on Para 5.3 of the above reproduced order, where the Supreme Court was discussing a situation, where the limitation expired between 15.03.2020 to 28.02.2022. This sub-para cannot be read in isolation. The import of the Supreme Court order is that the entire period from 15.03.2020 till 28.02.2022 has to be excluded for all purposes. Consequently, this Court is of the opinion that the learned District Judge, Panchkula, has failed to appreciate the direction passed by the Supreme Court. As a result, impugned order is set aside and the objections filed by the appellant are held to have been instituted within time. The objections have to be adjudicated on merits for which purpose, matter deserves to be re-heard by the learned District Judge.

7. Appeal is disposed of.
8. Parties are directed to appear before the learned District Judge, Panchkula on 16.09.2024, who shall proceed to decide the objections instituted under Section 34 of the Act, in accordance with law.
9. At this stage, Mr. Puneet Jindal, learned senior counsel, submits that the accounts of the appellants have been attached. Liberty is granted to him to make an appropriate application before the learned District Judge, Panchkula.
10. All pending applications are disposed off.

20.08.2024
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(SUVIR SEHGAL)
JUDGE

Whether Speaking/reasoned	Yes/No
Whether Reportable	Yes/No