
(2013) 08 P&H CK 0533

In the Punjab And Haryana At Chandigarh

Case No : Civil Revision No. 713 of 2006 (O and M)

M/s. Clutch Auto Ltd. and Another

APPELLANT

Vs

M/s. Globe Super Security

RESPONDENT

Date of Decision : 13-08-2013

Acts Referred:

Arbitration and Conciliation Act, 1996 — Section 8

Citation : (2013) 08 P&H CK 0533

Hon'ble Judges : Rajan Gupta, J

Bench : Single Bench

Advocate : K.B. Sharma, for the Appellant; Lovkesh Singhal, for the Respondent

Judgement

Rajan Gupta, J.—Present revision petition is directed against the order dated 7.12.2005, passed by the court of Additional Civil Judge (Sr. Division), Faridabad whereby it rejected the application filed by petitioners for reference of the dispute to the Arbitrator by invoking Section 8 of the Arbitration and Conciliation Act, 1996. Learned counsel for the petitioners has assailed the order. According to him, once there was an arbitration clause between the parties, it was incumbent upon the trial court to refer the matter to Arbitrator. He has emphasized that in terms of the agreement, respondent kept on providing services to the petitioners, thus, the arbitration clause remained alive till the dispute arose between the parties.

2. Learned counsel appearing for the respondent has vehemently opposed the plea. He submits that trial court has rightly rejected the plea to refer the matter to Arbitrator. According to him, the agreement in question was only for a period of one year and came to end on 23.9.1990. In the eventuality respondent kept on providing services to the petitioners thereafter, it was not governed by agreement dated 24.9.1989.

3. I have heard learned counsel for the parties and given careful thought to the facts of the case.

4. It appears, respondent which is an agency providing security to industrial units, was engaged by the petitioners vide agreement dated 24.9.1989. According to agreement, the respondent was to provide security services to the petitioner firm which has its premises in Industrial Area, Faridabad. An agreement was also executed in this respect and according to arbitration clause, any dispute that would arise between the parties, would be referred to Factory Manager of the petitioner firm. Admittedly, respondent No. 1 kept on providing security services even after the expiry of agreement dated 24.9.1989 but no dispute arose between the parties. Instant suit was preferred by the respondent in the year 2000 alleging that a dispute had arisen in the year 1999 as petitioners had failed to make payment in respect of services provided. The respondent, thus, sought recovery of amount due. During the pendency of the suit, instant application was moved seeking reference to Arbitrator u/s 8 of the Act. Prayer was rejected by the court below observing that agreement subsisted between the parties only till 23.9.1990. The arbitration clause could not be invoked thereafter. I find no legal infirmity with the order passed. Admittedly, the agreement in question was to last for one year. In the eventuality the petitioners kept on availing services of the respondent thereafter, it is inexplicable how arbitration clause could be invoked in case of any dispute. There is nothing on record to show that agreement dated 24.9.1989 was ever renewed or fresh agreement was entered into between the parties. I, thus, find no ground to interfere in revisional jurisdiction of this court. Dismissed.