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*** IN THE HIGH COURT OF DELHI AT NEW DELHI**

% Date of decision: 11.02.2026

\+ O.M.P. (COMM) 251/2018

INDIA YAMAHA MOTOR PRIVATE LIMITED .....Petitioner

Through: Mr. Arpit Dwivedi and Mr. Manmeet Singh Nagpal, Advs.

versus

M/S MILLENIUM AUTOMOBILES AND ORS. .....Respondents

Through: Mr. Rajesh Banati, Mr. Ashish Sareen, Mr. Adil Asghar, Mr. Aditya Mishra and Mr. Ankit Banati, Advs.

CORAM:
HON'BLE MR. JUSTICE AVNEESH JHINGAN

AVNEESH JHINGAN, J. (ORAL)

1. This petition is filed under Section 34 of the Arbitration and Conciliation Act, 1996 (in short 'the Act') against the award dated 30.10.2015 whereby the claim filed by the petitioner and counter-claim filed by the respondents were dismissed.

2. The petitioner is a private limited company engaged in the manufacturing of two wheeler vehicles. The respondents were given dealership by M/s Yamaha Motor India Private Limited and M/s Yamaha Motor India Sales Private Limited and entered into an agreement dated 10.10.2005. The business was transferred to M/s India Yamaha Motor Private Limited by M/s Yamaha Motor India Private Limited and M/s Yamaha Motor India Sales Private Limited

and the right to recover the amount due vested with the petitioner. There was a dispute between the parties and arbitration was invoked by the petitioner. The objection raised by the respondents that there was no arbitration clause was rejected by the arbitrator and is not under challenge.

2.1 The petitioner relying upon a computer generated statement of accounts claimed that an amount of Rs.53,64,415/- was due but the respondents filed a counter-claim of Rs.73,50,570/-. The claim of the petitioner was dismissed for failure to prove that the amount was due. The counter-claim was dismissed as time barred.

3. Learned counsel for the petitioner contends that the statement of accounts was admitted by the respondents and there was no question of proving it. Clause 19 of the Dealership Agreement is relied upon to contend that on failure to object to the statement of accounts within fifteen days of receipt, the amount due as per statement was deemed to be admitted. The cross-examination of the witness of the respondents, Mr. Rakesh Kumar is pressed into service to substantiate the admission of the statement of accounts.

3.1 Lastly, it is contended that the veracity of the statement of ICICI Bank produced by the respondents was not decided by the arbitrator and the award is perverse.

4. Learned counsel for the respondents defends the impugned award and refutes the contention of admission of the statement of accounts. The argument is that the arbitrator after considering the facts and the evidence adduced has rightly rejected the claim of the petitioner.

5. Heard learned counsel for the parties and perused the record with their able assistance. Albeit, written submissions have been filed by the parties but after arguing the matter at length the written submissions are not being pressed. Along with the written submission the petitioner attached documents which were not before the arbitrator and on 09.07.2025 learned counsel for the petitioner made a statement that the documents attached alongwith the written submission shall not be relied upon. No contention other than those noted above has been pressed.

6. The scope of interference under Section 34 of the Act is well defined. The court can interfere only on the grounds mentioned therein. Reference in this regard be made to the following judgments of the Supreme Court:-

6.1 The Supreme Court in **Ramesh Kumar Jain vs. Bharat Aluminium Company Limited 2025 SCC OnLine SC 2857** held as under:

> "28. The bare perusal of section 34 mandates a narrow lens of supervisory jurisdiction to set aside the arbitral award strictly on the grounds and parameters enumerated in sub-section (2) & (3) thereof. The interference is permitted where the award is found to be in contravention to public policy of India; is contrary to the fundamental policy of Indian Law; or offends the most basic notions of morality or justice. Hence, a plain and purposive reading of the section 34 makes it abundantly clear that the scope of interference by a judicial body is extremely narrow. It is a settled proposition of law as has been constantly observed by this court and we reiterate, the courts exercising jurisdiction under section 34 do not sit in appeal over

> the arbitral award hence they are not expected to examine the legality, reasonableness or correctness of findings on facts or law unless they come under any of grounds mandated in the said provision. In ONGC Limited. v. Saw Pipes Limited[14], this court held that an award can be set aside under Section 34 on the following grounds:"(a) contravention of fundamental policy of Indian law; or (b) the interest of India; or (c) justice or morality, or (d) in addition, if it is patently illegal."

6.2 In **Consolidated Construction Consortium Limited Vs. Software Technology Parks of India (2025) 7 SCC 757** it was held as under:

> "46. Scope of Section 34 of the 1996 Act is now well crystallized by a plethora of judgments of this Court. Section 34 is not in the nature of an appellate provision. It provides for setting aside an arbitral award that too only on very limited grounds i.e. as those contained in Sub-sections (2) and (2-A) of Section 34. It is the only remedy for setting aside an arbitral award. An arbitral award is not liable to be interfered with only on the ground that the award is illegal or is erroneous in law which would require re-appraisal of the evidence adduced before the arbitral tribunal. If two views are possible, there is no scope for the court to re-appraise the evidence and to take the view other than the one taken by the arbitrator. The view taken by the arbitral tribunal is ordinarily to be accepted and allowed to prevail. Thus, the scope of interference in arbitral matters is only confined to the extent envisaged Under Section 34 of the Act. The court exercising powers Under Section 34 has perforce to limit its jurisdiction within the four corners of Section 34. It cannot travel beyond Section 34. Thus, proceedings Under Section 34 are summary in nature and not like a full-fledged civil suit or a civil appeal. The award as

such cannot be touched unless it is contrary to the substantive provisions of law or Section 34 of the 1996 Act or the terms of the agreement."

7. The claim of the petitioner was based upon a computer generated statement of accounts. It is not the case set by the petitioner that the statement of accounts was admitted in the statement of defence filed by the respondents, reliance is on the cross-examination of the witness of the respondents, Mr. Rakesh Kumar to prove the admission. There cannot be quarrel with the proposition that the petitioner has to stand on its own legs to substantiate the claim and cannot solely rely upon the weaknesses in the evidence of the respondents. The questions posed in cross-examination relied upon are reproduced:

> "Q18. Is it correct that you were accessing your day to day Statement of Account maintained by Claimant by logging your login Id and password provided by claimant?
>
> Ans. I had no online access of Statement of Account as I was not provided login Id and password by claimant.
>
> Q20. Did you ever lodge any complaint with Claimant while pointing any specific inconsistency in Statement of Account received by you by referring to a particular Statement of Account related to a certain period?
>
> Ans. Yes, whenever the officers of the claimant company used to visit my office, I pointed out to them that benefit of credit notes have not been given to the Respondent. I also visited Delhi office of the Claimant and pointed out that benefit of credit notes have not been given to the Respondent.

Q23. Have you ever written any letter to claimant regarding credit notes payable to you while referring your visit to Delhi Office of Claimant?

Ans. I verbally reminded officials of Claimant but I do not remember whether I wrote any such letter."

8. From the cross-examination reproduced above it is evident that there was no admission by the witness of the amount due shown in the statement of accounts.

9. Before proceeding further, it would be relevant to reproduce clause 19 of the Dealership Agreement:

"**19. Reconciliation of Accounts**

The DEALER should reconcile his account of payments and stocks with YMI and YMS as required from time to time. YMI and YMS shall, at the end of each fiscal year issue a statement of account to the DEALER. In the event the DEALER does not dispute the amounts stated in such statement of account, within fifteen (15) days of the receipt of such statement of account, the sums reflected therein shall be construed to be acceptable and binding upon the DEALER. It is further agreed that in the event the DEALER is required to issue any sales tax, or other tax forms, or declarations, to YMI and YMS for the previous year, in accordance with the statement of account such forms, or declarations, shall be issued within sixty (60) days of the said statement of account being accepted and in case of any failure by the DEALER to do so, the sums due and payable on account of such non submission shall become a liability of the DEALER, as if no. benefit pursuant to the said forms/declarations, was available, and the sums due shall become immediately payable."

10. Clause 19 provides that the petitioner shall at the end of the fiscal year issue a statement of the accounts to the dealer. Failure of the respondents to dispute the amount stated therein within fifteen days of receipt of the statement of accounts shall be construed to be acceptance. No evidence was produced to show that the statement of accounts at the end of the fiscal year 2008-2009 was issued to the respondents. Reliance is on a statement produced as Annexure P-6 before the arbitrator which is for the period 01.10.2005 to 23.12.2008 and not an annual statement at the end of the fiscal year 2008-09.

11. The arbitrator rightly rejected the claim of the petitioner based on a self serving computer generated statement of accounts. It was considered that the entries in the statement of accounts were not supported by the bills. The eight entries dated 21.02.2006 were in respect of "amount paid towards overdue invoice" but neither the invoice number was mentioned in the statement of accounts nor these invoices were produced.

12. The veracity of the statement of accounts was dented by the bank statement of ICICI Bank produced by the respondents. There was no entry of Rs.10,24,474/- in bank statement which was shown in the statement of accounts to be debited in the account maintained with ICICI Bank. The contention of the learned counsel for the petitioner that the bank statement produced was not proved by the respondents and that on this account the award needs to be set aside, is ill-founded. The petitioner failed to substantiate the claim filed and the bank statement produced was to show that the statement of accounts is not reliable. There was no explanation by the petitioner of the entry of

Rs.10,24,474/- in the statement of accounts and not finding mention in the bank statement.

13. The award passed by the arbitrator suffers from no factual or legal error much less perversity and calls for no interference under Section 34 of the Act.

14. The petition is dismissed.

AVNEESH JHINGAN, J

FEBRUARY 11, 2026/Pa

Reportable:- **Yes**