



IN THE HIGH COURT OF KARNATAKA AT BENGALURU

DATED THIS THE 8TH DAY OF JULY, 2026

BEFORE

THE HON'BLE SMT. JUSTICE LALITHA KANNEGANTI

WRIT PETITION NO. 4729 OF 2023 (GM-RES)

BETWEEN:

SRI M.RAMACHANDRA
SON OF LATE SRI. K. MUNISHAMAPPA,
AGED ABOUT 67 YEARS,
RESIDING AT NO.28,
NANDA GOKULA NILAYA,
HITHARAHALLI HANDRAHALLI VILLAGE,
CHANNARAYAPATANA HOBLI,
DEVANAHALLI TALUK,
BENGALURU DISTRICT-562 129

...PETITIONER

(BY SRI. SRIHARI N.S., ADVOCATE)

AND:

1. SRI MADHU SUDAN REDDY
SON OF LATE SRI.K. PAPI REDDY,
MAJOR,
RESIDING AT HOUSE NO. 641/B,
5TH CROSS, H.A.L. 2ND STAGE,
KODIHALLI,
BANGALORE-560 008
2. SRI. SURAJ R. MANJESHWAR
HON'BLE SOLE ARBITRATOR IN
ARBITRATION PROCEEDINGS
NO. 01/22,
SURAJ AND CO. ADVOCATES,
SOLICITORS AND CONSULTANTS,
NO.11,17TH F CROSS, 1ST FLOOR,
(ABOVE EXIDE SHOW ROOM),



INDIRANAGAR 2ND STAGE,
BENGALURU-560 038

...RESPONDENTS

(BY SRI. BHUVANENDRA RAJU P., AND
SRI.P.B.RAJU, ADVOCATE)

THIS WRIT PETITION IS FILED UNDER ARTICLES 226 AND 227 OF THE CONSTITUTION OF INDIA, PRAYING TO QUASHING THE IMPUGNED ORDER DATED 15.10.2022 PASSED BY THE LEARNED ARBITRATOR - RESPONDENT NO. 2 IN ARBITRATION PROCEEDINGS NO. 01/22.

THIS WRIT PETITION HAVING BEEN HEARD AND RESERVED ON 11.03.2026, COMING ON FOR PRONOUNCEMENT OF ORDER THIS DAY, THE COURT PRONOUNCED THE FOLLOWING:

CORAM: HON'BLE SMT. JUSTICE LALITHA KANNEGANTI

CAV ORDER

The present writ petition is filed seeking the following prayer:

"PRAYER

WHEREFORE, it is most humbly prayed that this Hon'ble Court may be pleased to-

a. issue a writ in the nature of certiorari or any other appropriate writ or order setting aside and quashing the impugned Order dated 15.10.2022 passed by the Learned Arbitrator — Respondent No.2 in Arbitration Proceedings No. 01/2022

b. issue a writ in the nature of certiorari or any other appropriate writ or order quashing and terminating the impugned Arbitration Proceedings No. 01/2022 before the Learned Arbitrator - Respondent No. 2, as without jurisdiction; and

c. pass such other or further orders as this Hon'ble Court deems fit to grant in the facts and circumstances of the above case, in the interest of justice and equity."



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2. The facts of the case as stated by the petitioner are that respondent No.1 herein has raised a dispute in respect of the Agreement to Sell dated 03.12.2018, alleging it to be executed by the petitioner and containing an arbitration clause. However, the petitioner herein has no knowledge of the said Agreement to Sell, and the execution, contents, validity and veracity of the Agreement are seriously disputed by the petitioner. It is stated that the petitioner was neither issued a notice informing of the alleged dispute arising out of the alleged Agreement to Sell dated 03.12.2018, nor the statutory notice as required under Section 21 of the Arbitration and Conciliation Act, 1996 (hereinafter referred to as 'Act') been issued to the petitioner for the appointment of an arbitrator. Instead, respondent No.1 unilaterally appointed respondent No.2 herein as the sole arbitrator. It is stated that respondent No.2, based on the unilateral appointment made by respondent No.1, issued a Communication dated 06.10.2022 to the petitioner, accepting to arbitrate the dispute between the parties and directing the appearance of the parties on 18.10.2022. The petitioner, upon receipt of the Communication dated 06.10.2022, issued a Reply



dated 13.10.2022, seriously disputing *inter alia* the execution, contents, validity and veracity of the Agreement to Sell dated 03.12.2018 and the unilateral appointment of respondent No.2 as the Sole Arbitrator.

3. Respondent No.2, vide order dated 15.10.2022, overruled the objection raised by the petitioner questioning respondent No.2's unilateral appointment, and the same was communicated by the Communication dated 22.12.2022. It is stated that the learned Arbitrator did not furnish a copy of the impugned order and instead directed the appearance of the petitioner on subsequent dates of hearing. The petitioner, coming from a rural background, personally appeared before the Arbitrator/respondent No.2 on 18.10.2022 and 15.11.2022 with the intention of obtaining copies of the claim petition, the alleged Agreement to Sell dated 03.12.2018, and other ancillary documents before the Arbitrator. However, these were not made available to him, with a caveat that they may be made available to the petitioner only upon payment of the Arbitrator's fee. It is stated that the petitioner could not appear on 06.01.2023 before the Arbitrator since he received notice of



the impugned proceedings just before the designated date of hearing. Despite the fact that the petitioner had previously appeared on several dates of hearing, he was placed *ex parte* on 06.01.2023, in a manner unknown to law. This fact came to the knowledge of the petitioner on 14.02.2023, when the petitioner appeared before respondent No.2 along with his counsel, on which date respondent No.2 indicated that the petitioner was placed *ex parte* and that the vakalath of the counsel could not be taken on record. The petitioner herein has till this day not been furnished with a copy of the impugned order, the alleged Agreement to Sell dated 03.12.2018, the claim statement, the interlocutory application under Section 42-A of the Act, and other documents filed along with it. The entire proceedings before the Arbitrator are being conducted in a callous manner and in blatant disregard of the principles of natural justice. It is stated that the petitioner has no other alternative remedy but to come before this Court.

4. Learned counsel appearing for respondent No.1 filed statement of objections, stating that the arbitrator was duly appointed following due process of law, that a legal notice



dated 25.04.2022 was issued and received by the petitioner on 30.04.2022, and that the appointment of respondent No.2 was strictly in accordance with the freely and mutually agreed procedure between two private parties, duly recorded in the Agreement of Sale dated 03.12.2018. The petitioner has failed to reply to the notices. The arbitrator rightly overruled the objections, as there was no legal infirmity. The petitioner, in possession of all the documents, is only making a futile attempt to hoodwink everyone, including the Court. The present petition is filed by the petitioner on flimsy and whimsical grounds. The contention that the petitioner has not received the statutory notice of the order dated 15.10.2022 overruling his objections, allegedly communicated by letter dated 22.12.2022 without enclosing the order dated 15.10.2022, is wholly unfounded.

5. It is stated that the petitioner already has all the documents. In fact, the petitioner not only refused to collect the copy of the I.A.No.1/2022 but also remained absent, willfully, despite having received prior notice of being placed ex-parte for his successive non-appearances. The Arbitrator, having no other choice, rightly and lawfully placed the



petitioner ex-parte. The petitioner, who was present along with his counsel on 14.02.2023, sought time to file an application to set aside the ex-parte order dated 06.01.2023. Instead, he has chosen to approach this Court to overcome his defaults and lapses. It is stated that Sections 13(4) and 16(5) of the Act enable the Arbitrator to proceed to pass an award, and the plea regarding the Arbitrator's jurisdiction is rejected. All the amendments made in the above petition by the petitioner, contrary to the defence taken by respondent No. 1, are denied as vexatious.

6. Learned counsel appearing for the petitioner has relied on the judgment of the Apex Court in case of ***Perkins Eastman Architects DPC and Another Vs. HSCC (India) Limited***¹. He had relied on the judgment of the Apex Court in case of ***Punjab State Power Corporation Limited Vs. Emta Coal Limited and Another***². Paragraph Nos.4 and 5 read thus:

"4. We are of the view that a foray to the writ Court from a Section 16 application being dismissed by the Arbitrator can only be if the order passed is so

¹ (2020) 20 SCC 760

² (2020) 17 SCC 93



perverse that the only possible conclusion is that there is a patent lack in inherent jurisdiction. A patent lack of inherent jurisdiction requires no argument whatsoever – it must be the perversity of the order that must stare one in the face.

5. Unfortunately, parties are using this expression which is in our judgment in Deep Industries Ltd., to go to the 227 Court in matters which do not suffer from a patent lack of inherent jurisdiction. This is one of them. Instead of dismissing the writ petition on the ground stated, the High Court would have done well to have referred to our judgment in Deep Industries Ltd. and dismiss the 227 petition on the ground that there is no such perversity in the order which leads to a patent lack of inherent jurisdiction. The High Court ought to have discouraged similar litigation by imposing heavy costs. The High Court did not choose to do either of these two things.”

7. Learned counsel for the petitioner has filed the written arguments. It is argued that the 2nd respondent arbitrator is a unilateral appointee of the 1st respondent under the alleged agreement and that the appointment must be terminated. The petitioner is denying the alleged agreement of sale. It is submitted that, without the claim statement and interlocutory application, the petitioner cannot be expected to file his objections. The papers pertaining to the non est proceedings were made available only on 11.03.2026, despite an undertaking on 31.03.2022. It is submitted that the petitioner did not receive any notice under Section 21 of the Act, as stated in the reply dated 13.10.2022.



8. It is further argued that when the petitioner did not accept the appointment of the arbitrator named therein, the 1st respondent's recourse was to approach the High Court under Section 11(6) of the Act. It is argued that a unilateral appointment of the arbitrator is bad. It is submitted that when he received the notice dated 06.10.2022 for the first time, he came to know about the alleged existence of the agreement and the arbitration clause contained therein, and that till 11.03.2026 no documents were furnished to the petitioner. The proceedings before the Arbitral Tribunal are without jurisdiction. Although there is an alternative remedy under Section 34 of the Act, it does not bar the jurisdiction under Articles 226 and 227 of the Constitution of India where the order is passed without jurisdiction and the proceedings are a nullity. He relied on the Apex Court's judgment in **Punjab State Power Corporation Limited's** case referred supra, that a petition challenging an interlocutory order under Section 16 of the Act is maintainable if it suffers from perversity. The order passed is contrary to the principles of natural justice. It is submitted that the 2nd respondent became de jure ineligible to act as an arbitrator, and his mandate stands terminated by



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operation of law under Section 14 of the Act. Hence, it is submitted that the proceedings before the Arbitrator are without jurisdiction and the entire arbitral proceedings have to be quashed.

9. Learned counsel for respondent No.1 submits that the arbitrator was duly appointed after following due process of law, including the issuance of a legal notice dated 25.04.2022 by RPAD, and the postal receipt has also been filed along with the submissions. It is submitted that the petitioner has not come before the Court with clean hands. It is stated that the petitioner has suppressed the fact that the petitioner has executed a registered GPA in favour of the respondent. It is submitted that, behind the respondent's back, the petitioner has encumbered a portion of the subject property to third parties, causing loss to the respondent and prolonging the proceedings. Considering these aspects, the arbitrator has proceeded ex-parte. On 14.02.2023, he sought time to file the application but instead has chosen to approach this Court to overcome the lapses. It is submitted that there is a procedure provided under Sections 13 and 16 of the Act, under which the



petitioner can challenge any interim or interlocutory order of the arbitrator only under Section 34 of the Act and that too only after the arbitrator passes the arbitral award.

10. He relied on the judgment of this Court in case of ***Doddaballapur Integrated Textile Park Limited Vs. Mr. Vinod Jain and Another*** arising out of ***WP.No.12783/2020 c/w WP.No.12809/2020 dated 16.03.2023***. It is further submitted that Sections 13(4) and 16(5) of the Act enable the arbitrator to proceed to pass an award when the challenge is to the procedure adopted by the arbitrator and the plea regarding the arbitrator's jurisdiction is rejected. It is further submitted that the writ petition is liable to be dismissed with exemplary costs.

11. Having heard the learned counsel on either side, perused the entire material on record. In the light of the arguments advanced on behalf of both the parties, the two issues that fall for consideration are:

"1. Whether the present writ petition is maintainable before this Court to quash the proceedings before the Arbitral Tribunal?"



2. Whether the unilateral appointment of an arbitrator is valid?"

12. It is a settled proposition of law that, ordinarily, the High Court would refrain from interfering with pending arbitral proceedings in exercise of the writ jurisdiction, particularly when the Act provides for a comprehensive mechanism for challenging orders passed by the Arbitral Tribunal. The legislative intent behind Sections 5, 16, 34 and 37 is to minimize judicial intervention during the pendency of arbitral proceedings. The rule of alternative remedy is one of judicial restraint, not an absolute bar. The constitutional jurisdiction of the High Court remains available in exceptional cases where the proceedings are shown to be without jurisdiction, where the authority/Tribunal lacks inherent jurisdiction, where the principles of natural justice are violated, and where interference becomes necessary to prevent manifest injustice.

13. It is the specific contention of the petitioner that the very constitution of the Arbitral Tribunal is contrary to the law declared by the Hon'ble Supreme Court governing the unilateral appointment of an arbitrator. If the contention is found to be



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correct, it will go to the root of the issue of the Tribunal's competence to enter upon the reference. No doubt, in the present case, the arbitrator has rejected the objection under Section 16 of the Act, and that does not by itself preclude the constitutional Court from entertaining the writ petition, where the challenge goes to the root of the Tribunal's authority.

14. In this backdrop, the Court is required to examine whether the challenge raised by the petitioner discloses exceptional circumstances warranting the interference of this Court and departure from the statutory framework. The respondent's case is that, as per the terms of the argument, he has issued a notice to the petitioner invoking the arbitration clause and to appoint the arbitrator. According to the petitioner, he has not received the notice, whereas the respondent contends that the notice was served, as there was no response, he unilaterally appointed the arbitrator. The objection raised by the petitioner was rejected by the arbitrator, and thereafter the petitioner was set ex-parte by the Court. In the light of these facts, all these allegations point to the legality of the constitution of the Tribunal itself and are



distinct from objections arising during the conduct of arbitration. Hence, in the considered opinion of this Court, the writ petition is maintainable as it touches the inherent jurisdiction and the legality of the constitution of the Arbitral Tribunal.

15. The admitted facts in this case are that, according to the petitioner, the sole arbitrator was appointed unilaterally, and, according to the respondent, notice was issued, as there was no response, he unilaterally appointed the arbitrator. According to the petitioner, he did not receive the notice. The issue of unilateral appointment of arbitration is no longer res integra. The principle laid down by the Apex Court is that arbitration must not only be impartial but also inspire confidence in its independence. A party who has a direct interest in the outcome of the dispute cannot be permitted to exercise exclusive control over the constitution of the Arbitral Tribunal.

16. The Apex Court in case of ***Central Organisation for Railway Electrification Vs. M/s ECI SPIC SMO MCML (JV)***



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A Joint Venture Company arising out of **Civil Appeal**

Nos.9486-9487 of 2019 had observed as follows:

"128. If a person having a financial interest in the outcome of the arbitral proceedings unilaterally nominates a sole arbitrator, it is bound to give rise to justifiable doubts on the independence and impartiality of the arbitrator. The possibility of bias by the arbitrator is real because the person who has an interest in the subject matter of the dispute can chart out the course of the entire arbitration proceeding by unilaterally appointing a sole arbitrator. A party may select a particular person to be appointed as a sole arbitrator because of a quid pro quo arrangement between them. Moreover, the fact that the sole arbitrator owes the appointment to one party may make it difficult to decide against that party for fear of displeasure. It is not possible to determine whether the sole arbitrator will be prejudiced, but the circumstances of the appointment give rise to the real possibility of bias.

129. Equal treatment of parties at the stage of appointment of an arbitrator ensures impartiality during the arbitral proceedings. A clause that allows one party to unilaterally appoint a sole arbitrator is exclusive and hinders equal participation of the other party in the appointment process of arbitrators. Further, arbitration is a quasi-judicial and adjudicative process where both parties ought to be treated equally and given an equal opportunity to persuade the decision-maker of the merits of the case. An arbitral process where one party or its proxy has the power to unilaterally decide who will adjudicate on a dispute is fundamentally contrary to the adjudicatory function of arbitral tribunals.

132. In Voestalpine (supra) and CORE (supra), one of the parties curated a panel of arbitrators and mandated the other party to select their arbitrator from the panel. Since the curation of the list is exclusively undertaken by one party, the other party



is effectively excluded from the process of curating the panel from which exclusively, the appointment of an arbitrator is to be made. The other party has to mandatorily select its arbitrator from a curated panel, restricting their freedom to appoint an arbitrator of their choice. This is against the principle of equal treatment contained under Section 18. In this situation, there is no effective counter-balance because both parties do not participate equally in the process of appointing arbitrators. The party curating the panel can restrict the choice of the party only to a person who is on the panel selected by the other party and to no other person.

169. In view of the above discussion, we conclude that:

a. The principle of equal treatment of parties applies at all stages of arbitration proceedings, including the stage of appointment of arbitrators;

b. The Arbitration Act does not prohibit PSUs from empanelling potential arbitrators. However, an arbitration clause cannot mandate the other party to select its arbitrator from the panel curated by PSUs;

c. A clause that allows one party to unilaterally appoint a sole arbitrator gives rise to justifiable doubts as to the independence and impartiality of the arbitrator. Further, such a unilateral clause is exclusive and hinders equal participation of the other party in the appointment process of arbitrators;

d. In the appointment of a three-member panel, mandating the other party to select its arbitrator from a curated panel of potential arbitrators is against the principle of equal treatment of parties. In this situation, there is no effective counterbalance because parties do not participate equally in the process of appointing arbitrators. The process of appointing arbitrators in CORE (supra) is unequal and prejudiced in favour of the Railways;



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e. Unilateral appointment clauses in public-private contracts are violative of Article 14 of the Constitution;”

17. The Apex Court in case of ***Dharma Prathishthanam Vs. M/s.Madhok Construction Pvt. Ltd***³ had observed as follows:

7. An arbitrator or an Arbitral Tribunal under the Scheme of the 1940 Act is not statutory. It is a forum chosen by the consent of the parties as an alternate to resolution of disputes by the ordinary forum of law courts. The essence of arbitration without assistance or intervention of the Court is settlement of the dispute by a Tribunal of the own choosing of the parties. Further, this was not a case where the arbitration clause authorized one of the parties to appoint an arbitrator without the consent of the other. Two things are, therefore, of essence in cases like the present one: firstly, the choice of the Tribunal or the arbitrator; and secondly, the reference of the dispute to the arbitrator. Both should be based on consent given either at the time of choosing the Arbitrator and making reference or else at the time of entering into the contract between the parties in anticipation of an occasion for settlement of disputes arising in future. The Law of Arbitration does not make the arbitration an adjudication by a statutory body but it only aids in implementation of the arbitration contract between the parties which remains a private adjudication by a forum consensually chosen by the parties and made on a consensual reference.

12. On a plain reading of the several provisions referred to hereinabove, we are clearly of the opinion that the procedure followed and the methodology

³ AIR 2005 SC 214



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adopted by the respondent is wholly unknown to law and the appointment of the sole arbitrator Shri Swami Dayal, the reference of disputes to such arbitrator and the ex parte proceedings and award given by the arbitrator are all void ab initio and hence nullity, liable to be ignored. In case of arbitration without the intervention of the Court, the parties must rigorously stick to the agreement entered into between the two. If the arbitration clause names an arbitrator as the one already agreed upon, the appointment of an arbitrator poses no difficulty. If the arbitration clause does not name an arbitrator but provides for the manner in which the arbitrator is to be chosen and appointed, then the parties are bound to act accordingly. If the parties do not agree then arises the complication which has to be resolved by reference to the provisions of the Act. One party cannot usurp the jurisdiction of the Court and proceed to act unilaterally. A unilateral appointment and a unilateral reference both will be illegal. It may make a difference if in respect of a unilateral appointment and reference the other party submits to the jurisdiction of the arbitrator and waives its rights which it has under the agreement, then the arbitrator may proceed with the reference and the party submitting to his jurisdiction and participating in the proceedings before him may later on be precluded and estopped from raising any objection in that regard. According to Russell (Arbitration, 20th Edition, p. 104) -

"An Arbitrator is neither more nor less than a private judge of a private court (called an arbitral tribunal) who gives a private judgment (called an award). He is a judge in that a dispute is submitted to him;". "He is private in so far as (1) he is chosen and paid by the disputants (2) he does not sit in public (3) he acts in accordance with privately chosen procedure so far as that is not repugnant to public policy (4) so far as the law allows he is set up to the exclusion of the State Courts (5) his authority and powers are



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only whatsoever he is given by the disputants' agreement (6) the effectiveness of his powers derives wholly from the private law of contract and accordingly the nature and exercise of these powers must not be contrary to the proper law of the contract or the public policy of England, bearing in mind that the paramount public policy is that freedom of contract is not lightly to be interfered with."

25. Failure to give consent or to appoint an Arbitrator in response to a notice for appointment of an Arbitrator given by the other party provides justification to the other party for taking action under sub-section (2) of Section 8 of the Act and then it is the Court which assumes jurisdiction to appoint an Arbitrator as held by High Court of Orissa in *Niranjan Swain Vs. State of Orissa and Others* [AIR 1980 Ori. 142.]

27. In the event of the appointment of an arbitrator and reference of disputes to him being void ab initio as totally incompetent or invalid the award shall be void and liable to be set aside de hors the provisions of Section 30 of the Act, in any appropriate proceedings when sought to be enforced or acted upon. This conclusion flows not only from the decided cases referred to hereinabove but also from several other cases which we proceed to notice.

31. Three types of situations may emerge between the parties and then before the Court. Firstly, an arbitration agreement, under examination from the point of view of its enforceability, may be one which expresses the parties' intention to have their disputes settled by arbitration by using clear and unambiguous language then the parties and the Court have no other choice but to treat the contract as binding and enforce it. Or, there may be an agreement suffering from such vagueness or uncertainty as is not capable of being construed at all



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by culling out the intention of the parties with certainty, even by reference to the provisions of the Arbitration Act, then it shall have to be held that there was no agreement between the parties in the eye of law and the question of appointing an arbitrator or making a reference or disputes by reference to Sections 8, 9 and 20 shall not arise.

Secondly, there may be an arbitrator or arbitrators named, or the authority may be named who shall appoint an arbitrator, then the parties have already been ad idem on the real identity of the arbitrator as appointed by them before hand; the consent is already spelled out and binds the parties and the Court. All that may remain to be done in the event of an occasion arising for the purpose, is to have the agreement filed in the Court and seek an order of reference to the arbitrator appointed by the parties.

Thirdly, if the arbitrator is not named and the authority who would appoint the arbitrator is also not specified, the appointment and reference shall be to a sole arbitrator unless a different intention is expressly spelt out. The appointment and reference both shall be by the consent of the parties. Where the parties do not agree, the Court steps in and assumes jurisdiction to make an appointment, also to make a reference, subject to the jurisdiction of the Court being invoked in that regard. We hasten to add that mere inaction by a party called upon by the other one to act does not lead to an inference as to implied consent or acquiescence being drawn. The appellant not responding to respondent's proposal for joining in the appointment of a sole arbitrator named by him could not be construed as consent and the only option open to the respondent was to have invoked the jurisdiction of Court for appointment of an arbitrator and an order of reference of disputes to him. It is the Court which only could have compelled the appellant to join in the proceedings."



18. The underlying rationale is the fundamental requirement of neutrality embodied in Sections 12 and 18 of the Act. The legitimacy of arbitral proceedings depends upon the independence and impartiality of the Tribunal from the inception. The respondent sought to justify the appointment relying upon the arbitration agreement. Such contention cannot be accepted. Contractual autonomy, though fundamental to arbitration, cannot override statutory safeguards; any contractual clause inconsistent with the law cannot be entered. It is the submission of the learned counsel for the respondent that the order passed by the arbitrator rejecting the objection under Section 16 of the Act. The petitioner has to wait till the award is passed to invoke Section 34 of the Act. The said submission deserves to be rejected as it overlooks the distinction between an erroneous exercise of jurisdiction and an absence of jurisdiction. When the very constitution of the Tribunal is contrary to law, the continuation of the proceedings would itself amount to perpetuating illegality.

19. The order passed by the learned Arbitrator under Section 16 of the Act proceeds on the assumption that the



arbitration clause authorizes unilateral appointment; this reasoning is contrary to the law laid down by the Apex Court. The Arbitrator failed to appreciate that the validity of the arbitration agreement is distinct from the legality of the appointment mechanism. When the respondent has issued a notice invoking the arbitration clause and the petitioner has not responded, the respondent is not, by itself, authorized to make a unilateral appointment of an arbitrator; the remedy is to approach the competent Court under Section 11 of the Act. Therefore, this Court is of the considered opinion that the unilateral appointment of the learned sole arbitrator is void in law, and consequently, the Arbitral Tribunal lacked the authority to proceed with the reference. The proceedings before the Arbitral Tribunal are liable to be set aside. Accordingly, this Court is passing the following order:

ORDER

- i. The unilateral appointment of the sole arbitrator by the respondent is declared invalid, and all consequential arbitral proceedings stand quashed.



- ii. Liberty is reserved to the parties to constitute an Arbitral Tribunal afresh in accordance with the provisions of the Arbitration and Conciliation Act, 1996, within four weeks from the date of receipt of copy of this order.
- iii. If there is no consensus regarding the appointment of an Arbitrator, either party shall be at liberty to seek the appointment of an arbitrator under Section 11 of the Act.
- iv. It is made clear that this Court has not expressed any opinion on the parties' rights and contentions on the merits of the contractual claim.
- v. All contentions are kept open.
- vi. Accordingly, the writ petition is ***allowed***.
- vii. All I.As. in this petition shall stand closed.

**SD/-
(LALITHA KANNEGANTI)
JUDGE**

MEG
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