

K.S. Jadhav

**IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION**

ARBITRATION PETITION NO.65 OF 2022

MP International Pvt. Ltd. & Ors.,

...Petitioners

Versus

Avanse Financial Services Ltd.,

...Respondent

Mr. Sumit Rai, Counsel a/w Dhaval A. Patil i/b M/s K. Ashar & Co.,
Advocate for Petitioners.

Mr. Nikhil Mehta i/b KMC Legal Venture, Advocate for Respondent.

CORAM : R.I. CHAGLA, J.

DATE : 31ST AUGUST, 2023.

ORDER :

1. By this Arbitration Petition, the Petitioner has sought setting aside the impugned Award dated 12th November, 2021 on the ground that the impugned Award has been passed by the Unilateral Arbitrator.

2. The learned Counsel appearing for the Petitioner has submitted that the Arbitrator who has passed the Arbitral Award has

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been appended under Clause 16(1) of in the Loan Agreement dated 31st May, 2018 which provides for “*the Lender having right to invoke arbitration as per Arbitration & Conciliation Act, 1996 as alternate mode of dispute resolution. A Sole Arbitrator shall be appointed by the Lender and the Venue of Arbitration proceedings shall be Mumbai.*”

3. The learned Counsel for the Petitioner and Respondent have agreed for the impugned Award dated 12th November, 2021 to be set aside. The learned Counsel for the parties have agreed to appointment of Arbitrator from the Panel of this Court. Accordingly, the following order is passed :

(i) The impugned Award dated 12th November, 2021 is set aside by consent.

(ii) Mr. Parag Vyas, Advocate, empanelled as Arbitrator by this Court, shall be appointed as Sole Arbitrator to adjudicate upon the disputes and differences between the Applicant and Respondent under the Loan Agreement No.MUM/UO5929 dated 31st May, 2018 and an endeavour shall be made to complete the Arbitration

Proceedings and pass Award within a period of six months from the Arbitrator being communicated this order of appointment.

(iii) The venue of arbitration shall be at Mumbai as per the Loan Agreement.

(iv) Office to inform the Sole Arbitrator of his appointment.

(v) The appointed Sole Arbitrator is requested to file his disclosure statement under Section 11(8) and 12(1) of the Arbitration and Conciliation Act, 1996 within a period of three weeks from the date of receipt of intimation, with the Registrar (Judicial-I) and provides copies to the parties.

(vi) Parties to appear before the Sole Arbitrator on the date fixed by him.

(vii) Fee applicable to the Sole Arbitrator will be in accordance with the Bombay High Court (Fee Payable to Arbitrators) Rules, 2018.

(viii) Liberty is granted to the Respondent to file

Application under Section 17 of the Arbitration and Conciliation Act, 1996 seeking deposit of amount under Loan Agreement dated 31st May, 2018 and which Application shall be disposed of by the appointed Arbitrator within a period of three weeks from filing of the Application.

(ix) Arbitration Petition is disposed of in the above terms.

(x) No costs.

[R.I. CHAGLA, J.]