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Arb.O.P.(Com.Div.) No.601 of 2025

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 20.11.2025

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THE HONOURABLE Mr.JUSTICE N. ANAND VENKATESH

Arb.O.P.(Com.Div.) No.601 of 2025

and

A.No.4821 of 2025

Pruthvi Kumar G A,
S/o.Anjaneyappa

... Petitioner

Vs.

1.M/s.IndusInd Bank Ltd.,
represented by its Authorised Representative,
Ms.Ishwarya Iyer, Deputy Manager – Legal,
New No.34, Old Nos.115 & 116,
G.N.Chetty Road, T.Nagar,
Chennai – 600 017.

2.N.Anjanappa
S/o.Narayanappa

... Respondents

Arbitration Original Petition filed under Section 34(2) of the Arbitration and Conciliation Act, 1996, to set aside the award of the Sole Arbitrator D.Saravanan made in (CV) Arbitral Claim Petition No.1057 of 2023 dated 16.08.2023.



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For Petitioner : Ms.Shanmitha

For Respondents : Mrs.Meera Gnanasekar

ORDER

This petition has been filed challenging the *ex parte* award passed by the Sole Arbitrator dated 16.08.2023.

2. Heard Ms.Shanmitha, learned counsel for petitioner and Mrs.Meera Gnanasekar, learned counsel for respondents.

3. The petitioner had availed loan facilities with the respondent and they entered into a loan agreement dated 06.04.2022. The petitioner is said to have committed default in repayment of loan amount. In view of the same, the respondent has appointed a Sole Arbitrator in line with clause 11 of the loan agreement and had sought for a direction to the petitioner to pay a sum of Rs.11,52,833/- together with interest.

4. The petitioner was set *ex parte* and an *ex parte* award was passed



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by the Sole Arbitrator on 16.08.2023. Aggrieved by the same, the present petition has been filed before this Court.

5. When the petition was entertained by this Court on 26.09.2025, this Court passed the following order:

“Notice to the 1st respondent returnable by 30.10.2025. Private notice is also permitted.

2. The main ground that was raised by the learned counsel for the petitioner is that there was unilateral appointment of an arbitrator by the 1st respondent claimant and that the award passed by the learned Arbitral Tribunal is unsustainable in view of the judgement of the Apex Court in **[Central Organisation for Railway Electrification Vs. ECI Spic SMO MCML (JV) A Joint Venture Company]** reported in **2025 4 SCC 641**. A *prima facie* case has been made out and hence, there shall be an order of interim stay of the award of the sole Arbitrator, until further orders.

3. Post this case for hearing on 30.10.2025 under the caption for orders.”

6. It is not in dispute that the respondent had unilaterally appointed the Sole Arbitrator. This unilateral appointment of Sole Arbitrator goes against the judgment of the Apex Court in **Perkins Eastman Architects DPC v. HSCC (India) Ltd. [(2020) 20 SCC 760]**. In view of the same, the *ex parte* award



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passed by the Sole Arbitrator becomes non-est in the eye of law. The same

requires the interference of this Court. This Court did not go into the merits of the case since the award itself is non-est in the eye of law. This Court asked for the consent of the learned counsel appearing on both side as to whether a new arbitrator can be appointed by this Court to refer the dispute. Both learned counsel consented for appointment of Sole Arbitrator.

7. In the light of the above discussion, the *ex parte* award passed by the Sole Arbitrator dated 16.08.2023 in (CV) Arbitral Claim Petition No.1057 of 2023 is hereby set aside.

8. Accordingly, this Court appoints Mr.K.K.Muralitharan, Advocate, No.B, 5th Floor, New No.257, Old No.125, Canara Bank Buildings,

N. ANAND VENKATESH, J.

Angappa Naicken Street, Chennai – 600 001, Email:



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kkmassociates123@gmail.com [Mobile No.98840 43499], as the Sole

Arbitrator and the Sole Arbitrator is requested to adjudicate the arbitral disputes that had arisen between the parties and render arbitral award by holding sittings in the 'Madras High Court Arbitration Centre under the aegis of this Court' (MHCAC) as per Madras High Court Arbitration Proceedings Rules 2017 and fee of Sole Arbitrator shall be in accordance with the Madras High Court Arbitration Centre (MHCAC) (Administrative Cost and Arbitrator's Fees) Rules 2017.

This Arbitration Original Petition is disposed of. Consequently, connected application is closed.

20.11.2025

gm

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