



Arb. O.P. (Com. Div.) No.499 of 2024

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 11.03.2025

CORAM

THE HON'BLE Mr. JUSTICE ABDUL QUDDHOSE

Arb.O.P (Com.Div.) No.499 of 2024

1. Anitha
2. Gobalakrishnan ... Petitioners

VS.

M/s. Equitas Small Finance Bank Ltd.,
Rep. by Authorised Signatory,
Spencer Plaza,
4th Floor,
Phase – II,
No.769, Mount Road,
Anna Salai,
Chennai – 600 002. ... Respondent

Prayer : Arbitration Original Petition (Commercial Division) filed under Section 34(2)(a)(iii) of the Arbitration and Conciliation Act, 1996 to set aside the Award, dated 26.03.2024 of the Sole Arbitrator Mr.N.Muthukumaran in A.C.P. (Equitas LAP) No.25 of 2024.

For Petitioners : Mr.K.N. Arun Prasad
For Respondent : Mr. M. Karthikeyan
for A. Damodaran



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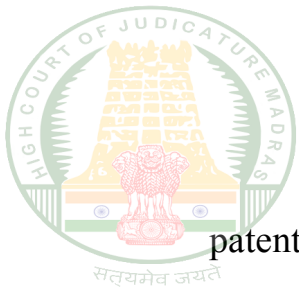
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ORDER

This petition has been filed under Section 34 of the Arbitration and Conciliation Act, 1996, challenging the impugned Arbitral Award, dated 26.03.2024.

2. The petitioners have challenged the impugned Arbitral Award primarily on the ground that the impugned Arbitral Award has been passed by an Arbitrator appointed unilaterally by the respondent. The said fact is not disputed by the learned counsel for the respondent. The impugned Arbitral Award also confirms the same.

3. Since the impugned Arbitral Award has been passed by an Arbitrator appointed unilaterally by the respondent without obtaining the consent of the petitioners, necessarily, the impugned Arbitral Award has to be set aside by this Court, in view of the decision rendered by the Hon'ble Supreme Court in the case of ***Perkins Eastman Architects DPC vs. HSCC (India) Limited reported in 2020 20 SCC 760***, wherein it has been held that an unilateral appointment of an Arbitrator by one of the parties to the dispute without obtaining the consent of the other is



patently illegal.

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4. Both the learned counsels on instructions have now made a joint endorsement in the Court bundle agreeing for appointment of an arbitrator by this Court to enable the respondent to initiate fresh arbitration against the petitioner.

5. For the foregoing reasons, the impugned Arbitral Award, dated 26.03.2024 is hereby set aside and this petition is allowed.

6. In view of the joint endorsement made, this Court is inclined to appoint Mr.Adithya Reddy, learned Advocate as the sole Arbitrator .

Accordingly, the following directions are issued:-

a) This Court appoints Mr.Adithya Reddy, Advocate (Enrollment No :MS1133 of 2008), having office at 21/11, P.S. Sivasamy Salai, Mylapore, Chennai – 600 004 (Email : reddy.adithya@gmail.com) (Mobile No.9884811101) as the sole Arbitrator to adjudicate the dispute between the parties arising out of the contract, which is the subject matter of this petition.

(b) The Arbitrator shall be paid his remuneration / fees in accordance with the 4th schedule of the Arbitration and Conciliation Act, 1996.

(c) Both the parties shall equally share the arbitrator's fees.



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(d) The Arbitrator shall conduct the arbitration in

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accordance with the provisions of the Arbitration and Conciliation Act, 1996 and shall complete the arbitration within the specified time as prescribed under the said Act.

11.03.2025

Index: Yes/ No

Speaking order / Non speaking order

Neutral citation : Yes / No

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ABDUL QUDDHOSE, J.

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