



Arb.OP.(comdiv) No.556 of 2024

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 13.03.2025

CORAM

THE HONOURABLE **MR.JUSTICE ABDUL QUDDHOSE**

Arb.O.P.(Comm.Div.) No.556 of 2024
and
A.No.6537 of 2024

Senthilkumar

.. Petitioner

-VS-

1.M/s.Shriram Finance Ltd.,
Ponneri.

2.Thangadurai

.. Respondents

Petition under Section 34 of the Arbitration and Conciliation Act, 1996, has been filed seeking to set aside the arbitral award dated 08.12.2023 passed by the Arbitral Tribunal.

For Petitioner : Mr.B.Vignesh

For R1 : Mr.S.Thiyagarajan



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ORDER

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This petition has been filed under Section 34 of the Arbitration and Conciliation Act, 1996, challenging the impugned arbitral award dated 08.12.2023 primarily on the ground that the impugned arbitral award has been passed against the petitioner by an Arbitrator appointed unilaterally by the first respondent.

2. The respondent is represented by a learned counsel. As seen from the impugned arbitral award, it is clear that the Arbitrator, who has passed the impugned arbitral award, was appointed unilaterally by the first respondent without obtaining consent of the petitioner. The impugned arbitral award is also an exparte arbitral award.

3. The law is now well settled as laid down by the Hon'ble Supreme Court in ***Perkins Eastman Architects DPC and another vs. HSCC (India) Limited [(2020) 20 SCC 760]*** that a party to the dispute cannot unilaterally appoint an Arbitrator. Therefore, if the award is passed by such an Arbitrator appointed unilaterally, the said award is patently illegal. In the case on hand, being an unilateral appointment, which culminated in the passing of the impugned arbitral award,



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necessarily, the impugned arbitral award has to be set aside by this Court.

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4. For the foregoing reasons, the impugned arbitral award dated 08.12.2023 is hereby set aside and this petition is allowed. However, liberty is granted to the first respondent to initiate fresh arbitration against the petitioner and other parties to the contract in accordance with law. Consequently, Application No.6537 of 2024 is closed. No Costs.

13.03.2025

rkm



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ABDUL QUDDHOSE, J.

rkm

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