

IN THE HIGH COURT OF JUDICATURE AT BOMBAY

ORDINARY ORIGINAL CIVIL JURISDICTION

INTERIM APPLICATION NO. 5070 OF 2022

IN

EXECUTION APPLICATION NO. 2302 OF 2025

L and T Finance Limited

... Applicant

Versus

Satish and Co. and others

... Respondents

None present.

CORAM : ABHAY AHUJA, J.

DATE : 6 APRIL 2026

P.C. :

1. When the matter is called out, none appears for the Applicant.
2. It is observed from the paragraph 2 of the Award dated 23rd December 2021 that in the agreement between the Applicant and Respondents, there is a Clause No.12.1, whereby it has been agreed that any dispute and/or differences and/or claims arising between parties or any of them touching or concerning the agreement or any condition or as to the rights, duties or liabilities of the parties or any of them either during the continuation of the agreement or after completion or termination or purported termination shall be referred to the sole arbitrator to be appointed by the Lender, viz. the Applicant, according to the provisions of the Arbitration and Conciliation Act,

1996 (the “said Act”) and Rules thereunder and any amendment thereto from time to time.

3. In the case of *Bhadra International (India) Pvt. Ltd. and others vs. Airports Authority of India*¹, the Hon’ble Supreme Court has clearly observed that unilateral appointment of arbitrator is void ab initio and the ineligibility can be raised at any stage and even in execution.

4. In view of the aforesaid, the award dated 23rd December 2021 is therefore set aside and the Execution Application as well as the connected Interim Applications stand dismissed.

5. It would be open to the parties to initiate fresh arbitration proceedings in accordance with law.

6. As far as limitation is concerned, the period from the invocation of the arbitration till today be excluded in initiating fresh arbitration proceedings.

7. Liberty to apply in the event there exists an express agreement in writing in terms of proviso to Section 12(5) of the said Act waiving the ineligibility of the sole arbitrator or the right to object under Section 12(5) of the said Act.

(ABHAY AHUJA, J.)

¹ 2026 SCC Online SC 7