

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

INTERIM APPLICATION NO. 1263 OF 2026
IN
COMMERCIAL EXECUTION APPLICATION NO. 1613 OF 2018

Paisalo Digital Ltd. ..Applicant

IN THE MATTER BETWEEN

Paisalo Digital Ltd. ..Applicant

Versus

Varun Industries Ltd. & ors. ..Respondents

None present

CORAM : RAJESH S. PATIL, J.

DATE : 10.04.2026

P. C.

1. This Commercial Execution Application is filed pursuant to an Award passed on 17.10.2015. In the Commercial Execution Application at page No. 68, arbitration clause of the agreement is reproduced.

Clause 19 reads as under :-

“19. Any conflict, difference, controversies, or disputes arising between the parties shall be resolved amicably at the first instance. Unresolved disputes, if any, shall be submitted/referred to the arbitration of the Sole Arbitrator. Sole Arbitrator shall be nominated/appointed by S. E. Investments Ltd. The Arbitration shall be conducted in accordance with the provisions of Arbitration and Conciliation Act, 1996 and Rules thereunder; any amendments, or re-enactments thereto and the language of

the Arbitration shall be English. The decision/award of the Arbitrator shall be final/conclusive and binding on the parties. The venue of Arbitration shall be at New Delhi”.

(Emphasis supplied)

2. None appears for the Applicant when the matter is called out.
3. From the proceedings, it can be gathered that the appointment of the sole arbitrator was unilateral.
4. I have taken a view in the judgment of **L & T Finance Ltd. vs. Sangeeta Bhansali & Anr. in Commercial Execution Application (L) No. 5277 of 2022**, considering the latest judgment of the Supreme Court decided on 5 January, 2026, in the matter of ***Bhadra International (India) Pvt. Ltd. and others vs. Airport Authority of India***, Civil Appeal No. 37-38 of 2026, wherein it has been held that even at the stage of execution, an arbitral award can be set aside being *void-ab-initio* on the grounds that the appointment of the arbitrator was unilateral.
5. In view of the aforesaid judgment, the arbitral award in the present proceeding passed by the sole arbitrator is hereby declared to be non-est in law, non-executable and *void-ab-initio*.
6. **Execution Application** stands **dismissed**.
7. In sequel, **the Interim Applications**, if any, also stand **disposed of**.
8. It shall be open for the parties to initiate fresh arbitration proceedings in accordance with law.

9. As far as limitation is concerned, the period from the invocation of the arbitration till today shall stand excluded for the purpose of initiating fresh arbitration proceedings.

(RAJESH S. PATIL, J.)