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Arb Appeal No. 10 of 2



IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 03-06-2026

CORAM

THE HON'BLE MR JUSTICE P. VELMURUGAN

AND

THE HON'BLE MRS.JUSTICE K. GOVINDARAJAN THILAKAVADI

Arb Appeal No. 10 of 2026

1.Dhatchanamoorthy
No.35, 2nd Street,
V.S.Nagar,
Madukkarai,
Puducherry 605105.

2.Prema.D
No.35, 2nd Street,
V.S.Nagar,
Madukkarai,
Puducherry 605105.

3.Vijay Brijesh
No.35, 2nd Street,
V.S.Nagar,
Madukkarai,
Puducherry 605105.

..Appellants

Vs

Indo Asia Finance Limited,
Rep. by Sowmiya,
Having registered office at
No.15, New Giri Road (Opp. to Hotel Accord),
Off. G.N.Chetty Road,
T.Nagar,
Chennai 600017.

..Respondent



Prayer : Arbitration Appeal filed under Section 37 of the Arbitration and Conciliation Act, 1996, against the Fair and Decreetal order dated 29.07.2025 passed in I.A.No.2421 of 2023 in unnumbered A.O.P.No. of 2023 on the file of The Principal District Judge at Puducherry.

For Appellants: Mr. P.Ravi Shankar Rao

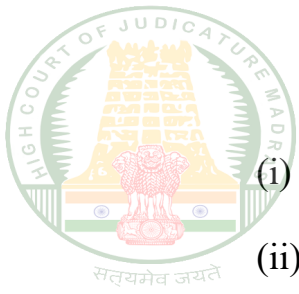
For Respondent: M/s.S.Arun Mathew

Judgment

(Judgment of the Court was delivered by P.Velmurugan J.)

Challenging the Award passed by the Arbitral Tribunal, the appellant herein had preferred an appeal under Section 34 of the Arbitration and Conciliation Act along with a petition in I.A. No.2421/2013 to condone the delay of 82 days in filing the appeal, before the Principal District Judge, Puducherry, and the same was dismissed. Challenging the same, the present Appeal has been filed.

2. Mr. P.Ravi Shankar Rao, the learned counsel appearing for the appellants would submit that the Court below failed to note and consider the following dates for deciding the period of Limitation that the Original Petition under Section 34 of the Arbitration and Conciliation Act has been filed on time.



(i) Arbitral Tribunal pronounced the order on 21.10.2022.

(ii) The copy of the Arbitral Award was delivered to the petitioner on 15.03.2023. The period of limitation of three months would commence from 15.03.2023.

(iii) The first month ends on 15.04.2023.

(iv) The second month ends on 15.05.2023.

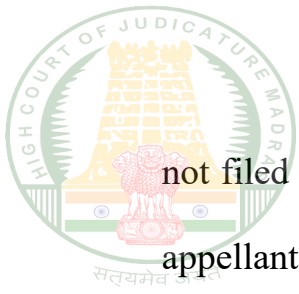
(v) The third month ends on 15.06.2023.

(vi) The extended period of 30 days ends on 14.07.2023

(vii) The petition under Section 34 of the Arbitration and Conciliation Act 1996 was filed on 13.07.2023 well within the period of 29 days.

2.1. The Arbitration Original Petition ought to have been filed within a period of three months. If it was not filed within the prescribed period of three months, it could still be filed within a further period of 30 days, subject to the satisfaction of the Court. Though the petition was not filed within three months, i.e., on or before 15.06.2023, it was filed on 13.07.2023, which falls within the extended period of 30 days. This aspect was not taken into consideration by the learned Principal District Judge, Puducherry, and therefore, the impugned order is liable to be set aside.

3. Mr. S. Arun Mathew, learned counsel for the respondent, submitted that the petition under Section 34 of the Arbitration and Conciliation Act was



not filed within the prescribed period of 90 days. He further contended that the appellants had filed the petition beyond the period of 90 days and that, even for availing the benefit of the extended period of 30 days, a petition for condonation of delay ought to have been filed. According to the learned counsel, the appellants, without initially filing a petition to condone the delay, merely presented the Arbitration Original Petition and thereafter filed a petition to condone the delay of 82 days. In the affidavit filed in support of the said petition, the appellants themselves admitted that there was a delay of 82 days. He further submitted that, although the petition had been returned, the appellants failed to re-present the same within the stipulated time. It was therefore contended that the reasons assigned in the affidavit are not sufficient and that each day's delay ought to have been properly explained. In the present case, the delay had not been satisfactorily explained. The only reason stated was that the appellants, being senior citizens, were suffering from ill health and were therefore unable to file the Arbitration Original Petition within time. The learned District Judge, not being satisfied with the reasons assigned, dismissed the petition. Hence, according to the learned counsel for the respondent, there is no reason to interfere with the impugned order passed by the learned Principal District Judge, Puducherry.

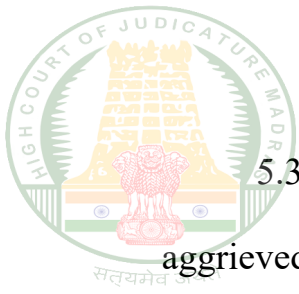
4. Heard the learned counsel for the appellants and the learned counsel for the respondent and perused the materials available on record.



5. Admittedly, the Arbitral Award was passed on 21.10.2022 and was delivered to the appellants on 15.03.2023. The limitation period for filing an Arbitration Original Petition is three months, commencing from 15.03.2023 and expiring on 15.06.2023. The Arbitration Original Petition was filed on 13.07.2023, i.e., beyond the prescribed period of 90 days but within the further condonable period of 30 days.

5.1. Section 34(3) of the Arbitration and Conciliation Act provides that if an application is not filed within the prescribed period of three months, it may still be entertained within a further period of 30 days, subject to the satisfaction of the Court. In the present case, although the Original Petition was not filed within 90 days, it was filed within the extended period of 30 days, namely before 14.07.2023.

5.2. A perusal of the affidavit filed by the appellants before the District Court shows that they had explained the delay. Though reasons such as ill health were stated, the learned District Judge failed to properly consider the limitation aspect. Instead, the Court focused only on the explanation offered in the affidavit. Under the circumstances, a party should not be made to suffer for a mistake committed by counsel. Substantial justice ought not to be defeated on technical grounds.



5.3. Therefore, in the interest of justice and to afford an opportunity to the aggrieved party to challenge the Arbitral Award, the fair and decretal order dated 29.07.2025 passed in I.A. No. 2421 of 2023 in unnumbered A.O.P. No. of 2023 on the file of the Principal District Judge, Puducherry, is set aside.

5.4. Accordingly, this Arbitration Appeal is allowed. No costs. The delay is condoned. The Principal District Judge, Puducherry, is directed to take the Arbitration Original Petition on file and dispose of the same on merits, in accordance with law, after affording an opportunity of hearing to both parties.

(P.V.,J.) (K.G.T.,J.)
03-06-2026

Index: Yes/No
Speaking/Non-speaking order
Neutral Citation: Yes/No

BGA

To

1. The Principal District Judge, Puducherry

2. Indo Asia Finance Limited,
Rep. by Sowmiya,
Having registered office at No.15,
New Giri Road (Opp. to Hotel Accord),
Off. G.N.Chetty Road,
T.Nagar,
Chennai 600017.



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**P.VELMURUGAN J.
AND
K.GOVINDARAJAN THILAKAVADI J.**

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