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IN THE HIGH COURT OF PUNJAB AND HARYANA AT
CHANDIGARH

ARB-227-2026 (O&M)
Date of Decision: 15.05.2026

M/S RBCL PILETECH INFRA

....Petitioner(s)

Versus

M/S SUNDARAM FINANCE LIMITED AND ANOTHER

.....Respondent(s)

CORAM: HON'BLE MR. JUSTICE JASGURPREET SINGH PURI

Present: Mr. Ajay Pal Singh, Advocate, for the petitioner.

JASGURPREET SINGH PURI, J. (Oral)

1. The present petition has been filed under Sections 14 and 15 of the Arbitration and Conciliation Act, 1996 (hereinafter referred to as 'the Act') seeking termination of the mandate of the Arbitrator and for appointment of an impartial Arbitrator by this Court.

2. Learned counsel appearing on behalf of the petitioner submitted that there is an agreement between the petitioner and respondent No.1, which contains an arbitration clause, which has been reproduced in para No.3 of the present petition, although the agreement has not been attached with the present petition. While referring to the aforesaid clause, which is contained in Article 22, he submitted that in case a dispute arises between the parties, then the matter shall be referred to sole arbitration of an Arbitrator appointed by MCCI Arbitration, Mediation and Conciliation Centre (MAMC) run by the Madras Chamber of Commerce and Industry



(MCCI) or Madras Arbitration Solution LLP, which is an arbitral institution or nominated by the Managing Director of the Lender and that the arbitration proceedings shall be governed by the MCME/Nani Palkhivala Arbitration Centre or Madras Arbitration Solution LLP as the case may be. He submitted that respondent No.1 had nominated an Arbitrator, who issued notice to the petitioner vide Annexure P-1 dated 30.12.2024, which was a unilateral appointment on the basis of which the Arbitrator started the proceedings and even on an application being filed, a bailiff was also appointed from Gurugram for the purpose of the attachment of the property. He further submitted that since the appointment was a unilateral appointment, the petitioner filed an application under Section 16 of the Act before the said Sole Arbitrator challenging the appointment of the Arbitrator and seeking the termination of the mandate and that the said application has been annexed with the present petition as Annexure P-10, which is still pending before the learned Sole Arbitrator.

3. Learned counsel submitted that since the arbitration clause contained the appointment of the Arbitrator by way of a unilateral appointment, the same is void and therefore, the mandate may be terminated by this Court and any independent Sole Arbitrator may be appointed by this Court.

4. I have heard the learned counsel for the petitioner.

5. The present petition is not only misconceived with regard to the territorial jurisdiction but also appears to be a vexatious petition. A perusal of the arbitration clause, as reproduced in para No.3 of the present petition, although the entire contract has not been attached with the present petition would show that there exists an arbitration clause and the procedure has been provided. As per Clause 22(b), it is specifically provided that the



venue of arbitration shall be Chennai. A query was raised to the learned counsel for the petitioner as to whether there is any contrary indicia with regard to the seat etc., to which he submitted that there is no other such provision designating any other seat. Therefore, clearly the venue of arbitration would become the seat of the arbitration, in the absence of any contrary indicia, in view of the judgment of Hon'ble Supreme Court in ***BGS SGS Soma JV Vs. NHPC Ltd. (2020) 2 SCC 234.***

6. Not only this, the Arbitrator already stands appointed and as per Annexure P-1, which is a notice issued by the learned Arbitrator at Chennai, he was appointed by M/S Madras Arbitration Solution LLP (an independent institution). Thereafter, the petitioner itself has filed an application before the same Arbitrator at Chennai under Section 16 of the Act, which is still pending. Therefore, this Court is of the considered view that such a petition filed before this Court under Sections 14 and 15 of the Act is not even entertainable for want of jurisdiction also. Even otherwise also, the application under Section 16 of the Act is still pending before the Sole Arbitrator at Chennai and apart from the above, in case any cause of action arises in favour of the petitioner since petitioner may have any such grievance for non-deciding of the application under Section 16 of the Act, which is still pending, the appropriate remedy would be to approach the appropriate Court at Chennai and not before this Court under Sections 14 and 15 of the Act.

7. In view of the above, the present petition is hereby dismissed.

15.05.2026

(JASGURPREET SINGH PURI)

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JUDGE

Whether speaking

:

Yes/No

Whether reportable

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Yes/No