

M/S Shriram Finance Limited versus Jogider Pal  
Exe 538/2023

Present: Sh. Nishant Kaushik Advocate counsel for DH.  
JD exparte.

Today the case was fixed for issuing notice to the JD of the application moved under order 21 Rule 37 CPC. However, it has come to notice of the undersigned the present execution application is filed for executing the award of the sole Arbitrator. The copy of the award passed by Arbitrator Sh. K.V Parshad Advocate dated 29.12.2022 is also placed on record. A perusal of the file shows that the Arbitrator was appointed at per clause 18 of loan agreement which provided that the Arbitrator shall be nominated by the lender.

So, it is admitted fact that the Sole Arbitrator was appointed by the DH unilateral. However in case of '*Central Organization for Railway Electrification versus M/S ECI SPIC SMO MCML (JV) A Joint Venture Company (SC) Constitution Bench*) Law finder Doc Id # 2662486 2024 INSC 857' Hon'ble Court has strucked all the Arbitration passed unilaterally by sole arbitrator. Award passed by sole Arbitrator unilaterally is not legally enforceable, as same is against the principles of natural justice. It was submitted by learned counsel for DH that due notice of the Arbitration proceedings was given to the JD. However, merely because notice of the arbitration proceedings was given to the JD does not validate the procedure of unilateral appointment of arbitrator. Accordingly, in view of the law laid down by Supreme Court, execution application dismissed. File be consigned to record room Moga.

Date of order:  
15.05.2025  
Kiran STG-II

(Lavleen Sandhu, PCS)  
CJ(JD)/JMIC/RC  
Moga. UID No.PB-0506