



CNR: KAHC010508742025

NC: 2026:KHC:36096
WP No. 22959 of 2025

IN THE HIGH COURT OF KARNATAKA AT BENGALURU

DATED THIS THE 14TH DAY OF JULY, 2026

BEFORE

THE HON'BLE MR. JUSTICE SURAJ GOVINDARAJ

WRIT PETITION NO. 22959 OF 2025 (GM-RES)

BETWEEN:

1. M/S GTV ESTATES
A REGISTERED PARTNERSHIP FIRM
HAVING ITS OFFICE AT NO.7
9TH MAIN ROAD, JAYANAGAR
2ND BLOCK, BENGALURU-560011.
REPRESENTED BY ITS PARTNER
MRS. LAKSHMI JAYARAM
W/O SHRI JAYARAM.
2. MRS C SHANTHA
PARTNER, GTV ESTATES
AGED ABOUT 69 YEARS
W/O KRISHNAMURTHY
R/AT NO.1474, IST MAIN ROAD
MUNESHWARA NAGAR
KOLAR-563101.
3. MRS LAKSHMI JAYARAM
PARTNER GTV ESTATES
AGED ABOUT 47 YEARS
W/O L JAYARAM
R/AT NO.108, IST BLOCK
5TH MAIN ROAD
BANASHANKARI III STAGE
BENGALURU-560085.

...PETITIONERS

(BY SRI. S KRISHNA, ADVOCATE FOR
SMT. SUMANA NAGANAND., ADVOCATE)

Digitally signed
by SRIWETHA
RAGANENDRA
Location: HIGH
COURT OF
KARNATAKA



CNR: KAHC010508742025

NC: 2026:KHC:36096
WP No. 22959 of 2025

AND:

1. DR G V PALAKSHA
AGED ABOUT 59 YEARS
S/O LATE G T VENKATSWAMY REDDY
R/AT NI 114, 21ST CROSS
SECTOR-3, HSR LAYOUT
BENGALURU-560102.
2. SHRI G V CHANDRASHEKAR
AGED ABOUT 56 YEARS
R/AT NO.335, 9TH MAIN ROAD
DOLLARS COLONY, 4TH PHASE
J P NAGAR, BENGALURU-560078.
3. MRS SUDHA NAGARAJA REDDY
AGED ABOUT 54 YEARS
R/AT GUNJUR VILLAGE AND POST
VARTHUR HOBLI
BENGALURU EAST TALUK
BENGALURU-560087.

...RESPONDENTS

(BY SMT. NITYA KALIGOTAL, ADVOCATE AND
SRI. SMARAN SHETTY., ADVOCATE FOR R1:
NOTICE TO R2 AND R3 IS DISPENSED WITH
V/O DATED: 18.08.2025)

THIS WRIT PETITION IS FILED UNDER ARTICLES 226
AND 227 OF THE CONSTITUTION OF INDIA PRAYING TO SET
ASIDE THE ORDER DATED 14-10-2024 (ANNEXURE G) PASSED
BY LEARNED ARBITRATOR SHRI. SUBASH B ADI IN A.C. NO.
584/2023 PENDING BEFORE THE ARBITRATION AND
CONCILIATION CENTRE, BANGALORE AND ETC.

THIS PETITION, COMING ON FOR PRELIMINARY
HEARING IN 'B' GROUP, THIS DAY, ORDER WAS MADE
THEREIN AS UNDER:

CORAM: HON'BLE MR. JUSTICE SURAJ GOVINDARAJ



CNR: KAHC010508742025

NC: 2026:KHC:36096
WP No. 22959 of 2025

ORAL ORDER

1. The petitioner is before this Court seeking for the following reliefs:
 - a. *Set aside the Order dated 14-10-2024 (Annexure G) passed by Learned Arbitrator Shri. Subash B Adi in A.C. No. 584/2023 pending before the Arbitration and Conciliation Centre, Bangalore;*
 - b. *Declare that the Learned Arbitrator in AC No. 584/2023 (Claim of Respondent No. 1) did not have the jurisdiction to pass order dated 14-10-2024 as the Tribunal was functus officio on termination of proceedings vide order dated 19.03.2024. (Annexure H)*
 - c. *Declare that the AC No. 584/2023 (Claim of Respondent No. 1) has been rejected by virtue of the termination of proceedings vide order dated 19.03.2024.*
 - d. *Pass such other order/s or directions as this Hon'ble Court deems fit in the facts and circumstances of the case, in the interest of justice.*
2. Respondent No.1 initiated arbitral proceedings as there was no consensus between the parties regarding the appointment of an arbitrator. Accordingly, Respondent No.1 filed CMP No.902 of 2022 under Section 11 of the Arbitration and Conciliation Act, 1996 (hereinafter referred to as the "Act of 1996"). There was also another proceeding in CMP No.377 of 2021, filed by one C. Manish, who is the son of Respondent No.2.



CNR: KAHC010508742025

NC: 2026:KHC:36096
WP No. 22959 of 2025

3. This Court, by order dated 23.08.2023, appointed an learned Arbitrator, directing that the arbitration be conducted under the aegis of the Arbitration and Conciliation Centre, Bengaluru. Wherein the matter was taken up for consideration as AC No.584 of 2023 and 585 of 2023.
4. The Director of the Arbitration and Conciliation Centre called upon the claimant to file its Statement of Claim within a period of 30 days. Respondent No.1, however, failed to file the same within the stipulated time. Consequently, the matter was posted for further proceedings on 19.03.2024. On the said date, neither the claimant nor his learned counsel appeared before the Arbitral Tribunal. The claimant had neither filed a vakalatnama nor deposited the requisite arbitral fees. Consequently, the learned Arbitrator was pleased to terminate the arbitral proceedings by order dated 19.03.2024. Thereafter, on 23.07.2024, Respondent No.1 filed the Statement of Claim along with an application seeking recall of the order dated 19.03.2024. The said application was opposed by the petitioners.
5. However, vide order dated 14.10.2024, the learned Arbitrator was pleased to recall the order dated 19.03.2024, subject to Respondent No.1 paying



CNR: KAHC010508742025

NC: 2026:KHC:36096
WP No. 22959 of 2025

costs of Rs.5,000/-. It is Aggrieved by the said order of recall, the petitioners have approached this Court seeking the aforesaid reliefs.

6. The submissions of the learned counsel for the petitioners are manifold. It is contended that the arbitral proceedings stood terminated on 19.03.2024. The Statement of Claim came to be filed only on 23.07.2024, and the impugned order recalling the termination was passed on 14.10.2024. It is further contended that, the order in the CMP appointing the learned Arbitrator having been passed much earlier, the mandate of the learned Arbitrator had come to an end on account of lapse of time and by virtue of the termination of the arbitral proceedings under sub-section (2) of Section 32 of the Arbitration and Conciliation Act, 1996. It is further submitted that once the arbitral proceedings stand terminated, the learned Arbitrator becomes *functus officio* and there is no power vested with such arbitrator to recall the order of termination or revive the arbitral proceedings.
7. Learned counsel for the respondent would submit that;
 - 7.1. This issue has been considered in detail by the Hon'ble Apex Court in Civil Appeal No.14630 of



CNR: KAHC010508742025

NC: 2026:KHC:36096
WP No. 22959 of 2025

2025, in ***Harshbir Singh Pannu and Anr., vs. Jaswinder Singh***. The Hon'ble Apex Court has categorically come to a conclusion that Firstly, there is no embargo on recall. Secondly, if there is a recall order passed, then the only option available to the aggrieved party is to challenge the final award under Section 34 of the Act of 1996 and not to challenge it by way of a writ petition. Thirdly, she submits that an opportunity to challenge is only available if the recall application is dismissed. In terms of Sub-section (2) of Section 14 of the Act of 1996.

7.2. She relies on the decision of ***Harshbir Singh Pannu and Anr., vs. Jaswinder Singh***, more particularly para No.415 thereof, which is reproduced hereunder for easy reference;

VII. CONCLUSION AND THE FINAL ORDER

A. Summary of our legal discussion.

415. A conspectus of our legal discussion is as under: -

(I) Section 32 of the Act, 1996 is exhaustive and covers all cases of termination of arbitral proceedings under the Act, 1996. The power of the arbitral tribunal to pass an order to terminate the proceedings under the scheme of the Act, 1996 lies only in Section 32(2).

(II) Sections 25, 30 and 38 of the Act, 1996 respectively, only denote the circumstances in which the tribunal would be empowered to take



CNR: KAHC010508742025

NC: 2026:KHC:36096
WP No. 22959 of 2025

recourse to Section 32(2) and thereby, terminate the proceedings.

(III) The use of the expression "the mandate of the Arbitral Tribunal shall terminate" in Section 32 of the Act, 1996 and its omission in Section(s) 25, 30 and 38 of the said Act, cannot be construed to mean that the nature of termination under Section 32(2) is distinct from a termination under the other aforesaid provisions of the Act, 1996.

(IV) The expression "mandate of the Arbitral Tribunal" is merely descriptive of the function entrusted to the tribunal, namely, the authority and duty to adjudicate the disputes before it. It refers to the obligation of the arbitral tribunal to administer the arbitration by conducting the proceedings in order to adjudicate upon the disputes referred to it.

(V) Irrespective of whether the proceedings are terminated on account of the passing of a final award, or by the withdrawal of claims, or on account of default by the claimant, or the intervention of any impossibility in the continuation of the proceedings, the legal effect remains the same, inasmuch as the arbitral tribunal thereafter stands divested of its authority to act in the reference.

(VI) The common thread that runs across Sections 25, 30 32 and 38 of the Act, 1996 respectively is that although the arbitral proceedings may get terminated for varied reasons, yet the consequence of such termination remains the same i.e., the arbitral reference stands concluded and the authority of the tribunal stands extinguished.

(VII) There is a clear distinction between a procedural review and a review on merits. The



CNR: KAHC010508742025

NC: 2026:KHC:36096
WP No. 22959 of 2025

arbitral tribunal possesses the inherent procedural power to recall an order terminating the proceedings as such power is merely to correct an error apparent on the face of the record or to address a material fact that was overlooked. It does not tantamount to revisiting the findings of law or reappreciating the substantive issues already decided.

(VIII) Where an arbitral tribunal passes an order for terminating the proceedings under the Act, 1996, the appropriate remedy available to the parties would be to first file an application for recall of such order before the arbitral tribunal itself. The arbitral tribunal would then in turn be required to examine whether the order does or does not deserve to be recalled.

(IX) If a favourable order is passed for recommencing arbitration proceedings, the only option available to a party aggrieved therefrom, would be to participate in the proceedings and thereafter, challenge the final award under Section 34 of the Act, 1996.

(X) If, however, the recall application is dismissed, the party aggrieved therefrom, would be empowered to approach the court under Section 14(2) of the Act, 1996. The court would then in turn examine whether the mandate of the arbitrator stood legally terminated or not. If it finds that the proceedings were not terminated in accordance with the law, it would be empowered to either set-aside the order of termination of proceedings and remand the matter to the arbitral tribunal, or, if the circumstances so require, proceed to appoint a substitute arbitrator in terms of Section 15 of the Act, 1996.

8. A perusal of the conclusions drawn by the Hon'ble Apex Court in **Harshbir Singh Pannu case**, would



CNR: KAHC010508742025

NC: 2026:KHC:36096
WP No. 22959 of 2025

indicate that if an application for recall were to be filed and a favourable order is passed for recommencing arbitration proceedings, the only option available to a party aggrieved therefrom would be to participate in the proceedings and thereafter challenge the final award under Section 34 of the Act of 1996.

9. In the present case, a favourable order has been passed on the recall application, pursuant to which the arbitral proceedings were restored and continued. The proceedings were thereafter interdicted by this Court by way of an interim order dated 31.07.2025.
10. In view of the decision of the Hon'ble Apex Court, it is clear that no remedy is available to the aggrieved party to challenge an order allowing an application for recall at that stage. The aggrieved party must await the culmination of the arbitral proceedings and thereafter challenge the award under Section 34 of the Arbitration and Conciliation Act, 1996. The said decision applies with full force to the facts of the present case.
11. As such, This Court passes the following;

ORDER

- i. The Writ petition stands ***dismissed***.



CNR: KAHC010508742025

NC: 2026:KHC:36096

WP No. 22959 of 2025

- ii. Liberty is reserved to the petitioner to agitate all grounds urged in the present petition in the application in the proceedings under Section 34 of the Arbitration and Conciliation Act, 1996, if and so filed by the petitioner.

Sd/-
(**SURAJ GOVINDARAJ**)
JUDGE

sssSR

LIST NO.: 2 SL NO.: 7