

ARBITRATION AWARD

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Q. Discuss the essentials of an award and also elaborate the procedure of setting aside an award:

1. Concept of an award:

The decision of an arbitrator or arbitrators is called an Award. it is an instrument embodying a decision of an arbitrator or arbitrators as regards to matter referred to him. It is a paper containing the decision of the arbitrators. It may be setting aside and the court has power to modify the award under the provisions of the Arbitration Act 1940

2. Relevant section:

Award:Section 2 (b)

Setting aside award: Section 30:

3. Interpretation of relevant terms:

i. Award:

a. Section 2(b)

Award means an arbitration award.

b. Webster law dictionary:

It is a paper containing the decision of the arbitrator.

c. Case law definition:

If a dispute is referred to a person and if that person decided that dispute by holding an enquiry and coming to the decision than undoubtedly what the person decides would constitute an award.

[PLD 1971 SC 516]

4. Explanation of definition:

5. Essentials of an award:

Following are the essentials of an award.

i. Result of judicial discretion

ii. Must be certain

iii. Language of award

iv. Must be in writing

v. Must be signed

vi. Must be determine the rights of the parties

vii. Must be made by the arbitrators

viii. Must be final

6. Result of judicial discretion
7. Must be certain.
8. Language of the award.
9. Must be signed:
10. Must be in writing:
- 11. Determination the rights of the parties:**

12. Award made by an arbitrator:

An award must be made by the arbitrator appointed by the parties. An outsider who has never been appointed as an arbitrator cannot give a decision, and if he does it would not be an award and it would not be binding on the parties.

[AIR 1954 Pat. 27]

13. Award must be final:

14. Presentation of award for registration:

15. Stamp duty on award:

16. Setting aside award:

Section 30 of Arbitration Act 1940

17. Modes of exercising power:

i. Suo moto:

The court has power to set aside award suo moto for proper reason.

[PLD 1964 Dacca 166]

ii. On Application:

The court may set aside an award by the application of the parties. An application under this section cannot be made in the absence of an award being filed in court.

[AIR 1947 Cal. 106]

18. Grounds for setting aside an award:

Following are the grounds of setting aside an award;

- i. Arbitration misconduct himself
- ii. Arbitration misconduct the proceedings

- iii. Where arbitration proceedings become invalid
- iv. Award improperly procured
- v. Where award otherwise invalid

19.Arbitration misconduct himself:

i. Meaning of misconduct:

It is difficult to give an exhaustive definition of what amount misconduct on the part of an arbitrator or umpire, the expression is of wide important including on the one hand bribery and corruption and on the other a mere mistake as to the scope and authority conferred by the submission.

[Halsbury vol 1 para 996]

ii. Kinds of misconduct:

a. Moral misconduct:

b. Legal misconduct:

20.Arbitration misconduct the proceeding:

21.Where arbitration proceeding become invalid:

22.Award improperly procured:

23.Where award otherwise invalid:

An award which does not dispose of all matters referred to the arbitration is incomplete and consequently it is invalid in law, the court may, in such a case set aside the award under section 30

[AIR 1958 All 692]

24.Appeal:

25.Conclusion: