



**Satia Limited v DIB Bank Limited (Miscellaneous Application E646 of 2024)  
[2025] KEHC 15319 (KLR) (Commercial and Tax) (23 October 2025) (Ruling)**

Neutral citation: [2025] KEHC 15319 (KLR)

**REPUBLIC OF KENYA  
IN THE HIGH COURT AT NAIROBI (MILIMANI COMMERCIAL COURTS)  
COMMERCIAL AND TAX  
MISCELLANEOUS APPLICATION E646 OF 2024  
FG MUGAMBI, J  
OCTOBER 23, 2025**

**BETWEEN**

**SATIA LIMITED ..... APPLICANT**

**AND**

**DIB BANK LIMITED ..... RESPONDENT**

**RULING**

**Background and Introduction**

1. The application dated 14<sup>th</sup> August 2024 seeks to stay the arbitration proceedings currently underway before the sole arbitrator, Ms. Njeri Kariuki. The applicant, Satia Limited (SATIA), seeks to have this court uphold its challenge against the arbitrator, remove Ms. Kariuki from the proceedings, and either have the matter adjudicated by this court or facilitate the appointment of two new arbitrators through the Chairperson of the Chartered Institute of Arbitrators. SATIA also seeks to recover its costs paid to the arbitrator.
2. The application is grounded on allegations of impartiality and bias by the sole arbitrator. SATIA confirms having filed an application for the recusal of the sole arbitrator before the Tribunal which application was dismissed and the sole arbitrator proceeded to issue directions for the hearing of the main suit. It is this state of affairs that precipitated in the present application which is opposed by way of a replying affidavit sworn by Njeri Waitimu, the Company Secretary at DIB Bank, on 30<sup>th</sup> September 2024.

**Analysis and Determination**

3. I have carefully considered the application as well as the response thereto. SATIA's first concerns regarding potential bias on the part of the sole arbitrator arises from observations made in her ruling



which dismissed SATIA's application for recusal. SATIA feels that it will be prejudiced as the sole arbitrator appears to have formed an opinion that a director of SATIA may have attempted to compromise her through an email sent outside of business hours, which was not copied to the opposing party, DIB Bank.

4. The central issue for determination is whether this concern satisfies the threshold for bias that would justify granting the orders sought by SATIA. I do not think so. A perusal of the record reveals that in the Order for Directions No. 2, the parties agreed that all communications sent to the sole arbitrator had to be in writing and copied to the opposing party. The directions explicitly outline the repercussions of failing to comply, including the stipulation that such communications would be shared with the other party by the arbitrator.
5. Having examined the established communication protocol for the proceedings, I find no justifiable reason for a director of one party to have contacted the arbitrator directly rather than through legal counsel, or for the communication to have been withheld from the opposing party as mandated by the rules. Notably, SATIA has neither disputed nor provided any explanation for the infraction. I would therefore uphold the sole arbitrator's ruling, as I see no evidence of bias or partiality.
6. On the contrary, the incident reinforces the conclusion that the arbitrator's actions were aimed at preserving fairness and transparency in the proceedings. By calling out SATIA for this breach, the arbitrator demonstrated a commitment to maintaining the integrity of the arbitration process, by ensuring that all parties adhere to the established rules and standards of conduct.
7. SATIA also alleges that the sole arbitrator has abused her power through imposing harsh penalties against SATIA. I have reviewed the evidence and I am satisfied that the record shows otherwise. It is evident that the parties were required to make a deposit for costs. The costs were shared equally between the parties and from the record it would appear that DIB Bank complied and paid its share of the costs. The various directions issued by the arbitrator indicate that time was extended for SATIA to comply and a penalty was imposed on it due to non-compliance of the Tribunal's orders.
8. There is nothing on record to indicate that the penalties charged were intended to confer an advantage on the respondent over SATIA as alleged. On the contrary, SATIA's failure to comply with the Tribunal's directives, followed by accusations of bias against the Tribunal despite its own lack of cooperation, reflects conduct in bad faith. The sole arbitrator acted within her authority under Section 26(e) and (f) of the Act in imposing penalties in response to repeated non-compliance.
9. It is essential for parties to understand that arbitration, as a dispute resolution mechanism, is fundamentally based on the principle of party autonomy, signifying its voluntary nature. The arbitrator's authority to adjudicate disputes stems directly from the arbitration agreement entered into by the parties. Once parties have submitted to arbitration, it is expected that they will cooperate with the Tribunal to fully realize the benefits of their chosen method of resolving disputes.

### **Disposition**

10. The totality of this is that I find no merit in the application dated 14<sup>th</sup> August 2024. The same is hereby dismissed with costs.

**DATED, SIGNED AND DELIVERED AT NAIROBI THIS 23<sup>RD</sup> DAY OF OCTOBER 2025.**

**F. MUGAMBI**

**JUDGE**

