

IN THE HIGH COURT OF KARNATAKA AT BENGALURU

DATED THIS THE 07TH DAY OF OCTOBER 2026

BEFORE

THE HON'BLE MR. JUSTICE H. T. NARENDRA PRASAD

CIVIL MISCELLANEOUS PETITION NO.286 OF 2025

BETWEEN:

MR. VINAY PALAPARTHY
S/O SANJEEV RAO VIJAY KUMAR PALAPARTHY
AGED ABOUT 51 YEARS
PRESENTLY AT: NO.36
SRIRAMA RATHNA NILAYA
PATTANDUR AGRAHARA
BANGALORE NORTH TALUK
KARNATAKA-560 066

ALSO RESIDENT OF
FLAT NO.202, 3RD FLOOR
MEGASRI SOBHA APARTMENTS
KAVURI HILLS, CBI COLONY
MADHAPUR, HYDERABAD
TELANGANA -500033.

ALSO RESIDENT OF
AMALTAS THE VIEW
K288, STREET-9, KIGALI RWANDA,
AFRICA
REPRESENTED BY GPA HOLDER
HEMANTH R PARADKAR
AGED ABOUT 53 YEARS.

... PETITIONER

(BY SRI. AJESH KUMAR S, ADVOCATE)

AND

1. MR. A.M. EMANUEL
S/O LATE L.W. EMANUEL
AGED ABOUT 67 YEARS
R/AT 212 VILLA BOMJESU, MUDFORT
SECUNDERABAD-500003.
2. MR. ASHISH L.W. EMANUEL
S/O A.M. EMANUEL
AGED ABOUT 36 YEARS
R/AT 212 VILLA BOMJESU
MUD FORT, SECUNDERABAD-500003.
3. M/S BUILDING SOLUTIONS AND CO.
A PARTNERSHIP FIRM REGISTERED UNDER
THE PROVISIONS OF THE INDIAN
PARTNERSHIP ACT, 1932
HAVING ITS PRINCIPAL PLACE OF BUSINESS AT
222B, SAN MARINA HOUSE, WEST MAREDPALLY
SECUNDERABAD-500026
REPRESENTED BY ITS PARTNER
MR. A.M. EMANUEL.
4. PROVIDENT HOUSING LIMITED
A WHOLLY OWNED SUBSIDIARY
OF PURAVANKARA LIMITED
A COMPANY INCORPORATED UNDER THE
COMPANIES ACT, 1956
HAVING ITS REGISTERED OFFICE AT
NO.130/1, ULSOOR ROAD
BENGALURU-560 042
REP. BY ITS CHIEF EXECUTIVE OFFICER
MR. MALLANNA SASALU.
5. SAM MARINA INFOTECH PRIVATE LIMITED
A PRIVATE LIMITED COMPANY INCORPORATED

UNDER THE PROVISIONS OF THE COMPANIES ACT
 HAVING ITS REGISTERED OFFICE AT 222-B
 SAN MARINA HOUSE, WEST MARREDPALLY
 SECUNDERABAD-500026
 REPRESENTED BY ITS DIRECTOR
 MR. A.M. EMANUEL.

6. MR. SUSHEEL RATHI
 S/O H.S. RATHI
 AGED ABOUT 47 YEARS
 PRESENTLY RESIDING AT
 18-A, BINNY CRESCENT APARTMENT
 16TH BENSON CROSS ROAD
 BENGALURU-560 046.
7. MRS. SOUMYA NALLARI
 W/O SANTHOSH KUMAR REDDY NALLARI
 AGED ABOUT 53 YEARS
 PRESENTLY R/AT VILLA NO.25
 PRIDE ORCHID, TUBARAHALLI
 WHITEFIELD ROAD,
 BENGALURU-560 066.
8. MR. DHARMESH KEWALRAM
 S/O BALRAM KEWALRAM
 AGED ABOUT 47 YEARS
 R/AT NO.4, AUTUMN GROVE
 MITCHAM, MELBOURNE
 VICTORIA-3132
 PRESENTLY R/AT # 11
 FORDOUN WAY, WANNEROO
 PERTH, WA-6065,
 AUSTRALIA.

... RESPONDENTS

(BY SRI. DHYAN CHINNAPPA, SENIOR COUNSEL FOR
 SRI. SUSHAL TIWARI, ADVOCATE FOR R1 TO R3 & R5:

SRI. ANANDARAMA K.N., ADVOCATE FOR R4:
R6 & R7 ARE SERVED AND UNREPRESENTED
SERVICE OF NOTICE TO R8 IS HELD SUFFICIENT
V/O DATED: 29.07.2026)

THIS CIVIL MISCELLANEOUS PETITION IS FILED UNDER SECTION 11(5) AND 11(6) OF THE ARBITRATION AND CONCILIATION ACT, 1996, PRAYING TO APPOINT A SOLE ARBITRATOR IN TERMS OF THE NOTICE DATED: 19.03.2025 APPENDED AS ANNEXURE-AF, AND REPLY DATED: 28.03.2025 APPENDED AS ANNEXURE-AH AND CLAUSE 12 OF PARTNERSHIP DEED DATED: 06.03.2007 CLAUSE 28 OF THE JOINT DEVELOPMENT AGREEMENT DATED: 17.04.2018 AND CLAUSE 27.1 OF THE JOINT DEVELOPMENT AGREEMENT DATED: 17.04.2018 APPENDED AT ANNEXURE-E AND F TO ADJUDICATE THE DISPUTE BETWEEN THE PARTIES AND ETC.

THIS CMP, HAVING BEEN HEARD AND RESERVED FOR ORDERS ON 23.09.2026, COMING ON FOR PRONOUNCEMENT, THIS DAY, THE COURT MADE THE FOLLOWING:

CORAM: HON'BLE MR. JUSTICE H.T. NARENDRA PRASAD

CAV JUDGMENT

1. This petition is filed under Sections 11(5) and 11(6) of the Arbitration and Conciliation Act, 1996 (for short, 'the Act'), seeking the following reliefs:

"a) Appoint a Sole Arbitrator in terms of the Notice dated 19.03.2025 appended as Annexure-AF, and Reply dated 28.03.2025 appended as Annexure-AH, Clause 12 of the Partnership Deed dated 06.03.2007, Clause 28 of the Joint Development Agreement dated 17.04.2018 and Clause 27.1 of the Joint Development Agreement dated 17.04.2018, appended as Annexure-E and F, respectively, to adjudicate the disputes between the parties; AND

b) Grant such other relief/s as this Hon'ble Court may deem fit to grant in the facts and circumstances of the case and in the interest of Justice and Equity."

2. The brief facts of the case are that the petitioner and his uncle, i.e., respondent No.1, entered into a Partnership Deed dated 06.03.2007, to constitute a registered partnership firm under the Partnership Act, 1932, in the name and style of "M/s. Building

Solutions and Co.”, i.e., respondent No.3 herein. Respondent No.3 Firm purchased the petition schedule properties by way of three registered Sale Deeds dated 20.03.2018 (Annexures-B, C and D). It is further the case of the petitioner that, under the Partnership Deed dated 06.03.2007, he was an equal partner in respondent No.3 Firm. The petitioner and respondent No.1, representing respondent No.3 Firm, thereafter entered into two Joint Development Agreements (for short, 'JDAs') dated 17.04.2018 (Annexures-E and F) with respondent No.4, Provident Housing Limited (for short, the 'Developer'), in respect of the petition schedule properties.

2.1. Subsequently, owing to the petitioner's serious health issues, respondent No.1 proposed to the petitioner that he should retire from the respondent No.3 Firm and that the son of respondent No.1, i.e., respondent No.2, should be inducted in his

place. Accordingly, the parties executed a Reconstitution of Partnership Deed dated 18.06.2018 (Annexure-H).

2.2. It is further the case of the petitioner that, as on the date of execution of the said Reconstitution of Partnership Deed, he had not given up his equal share in the profits of respondent No.3 Firm and that the induction of respondent No.2 in his place was only a temporary arrangement until the petitioner's mother was inducted into the Firm to represent his interests. The petitioner further contended that, after recovering from his health issues, he was re-inducted as a partner upon the resignation of his mother from respondent No.3 Firm on 08.09.2022. It is further case of the petitioner that, the petitioner and his mother along with respondent Nos.1 and 2 signed a fresh Reconstituted Partnership Deed dated

07.11.2022. The said re-induction is disputed by respondent Nos.1 to 3.

2.3. Thereafter, the petitioner alleges that he was denied access to the JDA site by respondent No.4 Developer, and that when the petitioner sought information regarding the accounts and details pertaining to the said site from the respective respondents, his status as a partner in respondent No.3 Firm was denied. Subsequently, he came to know about the sale deed and related documents executed by the respective respondents in relation to the JDA site and hence, the petitioner initiated proceedings before the X Additional City Civil and Sessions Judge (Commercial Division), Bengaluru Rural District, Bengaluru, in Com.A.A.No.29/2024 under Section 9 of the Act, seeking interim measures/protection.

2.4. In respect of the disputes that arose between the parties, the petitioner issued a notice dated 19.03.2025 (Annexure-AF) under Section 21 of the Act, invoking the arbitration clauses under the Partnership Deed dated 06.03.2007 and the JDAs dated 17.04.2018, respectively, seeking appointment of an arbitrator. According to the petitioner, respondent Nos.1 to 5 issued an untenable reply refusing the appointment of an arbitrator. Hence, the petitioner has filed the present petition seeking appointment of a sole arbitrator.

3. Learned Senior Counsel Sri. Dhyan Chinnappa appearing for respondent Nos.1 to 3 and 5, has raised a preliminary objection regarding the maintainability of the present petition.

4. Therefore, before considering the appointment of an arbitrator under the Act, this Court is required to

first examine the question as to whether the present petition is maintainable before this Court.

RE: MAINTAINABILITY OF THE PETITION

5. Learned counsel appearing for the petitioner contended that the petitioner and respondent No.1 entered into a Partnership Deed dated 06.03.2007 to constitute a partnership firm, namely, 'M/s. Building Solutions and Co'. Respondent No.3 Firm purchased the petition schedule properties through three registered Sale Deeds dated 20.03.2018 and submitted that, under the Partnership Deed, the petitioner has an equal share, having been an equal partner in respondent No.3 Firm.

5.1. Thereafter, the petitioner and respondent No.1, representing respondent No.3 Firm, entered into two Joint Development Agreements with respondent No.4 in respect of the petition schedule properties on

17.04.2018. Due to the health issues of the petitioner, a Reconstitution of Partnership Deed was executed on 18.06.2018, whereby respondent No.2 was inducted in place of the petitioner as a temporary arrangement until the petitioner's mother could be inducted to represent his interests. After recovering from his health issues, the petitioner was re-inducted as a Partner upon resignation of his mother from respondent No.3 Firm on 08.09.2022, pursuant to a Board Resolution and a subsequent Reconstituted Partnership Deed dated 07.11.2022.

5.2. Learned counsel further contended that the Partnership Deed dated 06.03.2007, Reconstitution of Partnership Deed dated 18.06.2018 and JDAs dated 17.04.2018 are all interconnected. He further contended that, in view of the Partnership Deed dated 06.03.2007, the petitioner, as on 18.06.2018, had an equal share in the profits received pursuant to the

JDA's as well as other profits of respondent No.3 Firm which remain unsettled. Since respondent No.1 has denied the petitioner's said right, he has invoked the arbitration clause contained in the Partnership Deed dated 06.03.2007 and the JDA's dated 17.04.2018, and filed the present petition.

5.3. Learned counsel submits that, under the JDA's, the seat of arbitration is mentioned as Bengaluru. Therefore, this Court has jurisdiction under Section 11(6) of the Act to entertain the present petition.

5.4. Secondly, learned counsel contended that the respondent Nos.1 to 3 herein have invoked the arbitration clause contained in the Reconstitution of Partnership Deed dated 18.06.2018 and filed an application, namely, Arbitration Application No.259/2025 under Section 11(6) of the Act, before the High Court for the State of Telangana at

Hyderabad and that the said application was dismissed by an order dated 14.08.2026, whereby, the Court held that the application before it was not maintainable under Section 11(11) of the Act, since the petitioner herein had filed an application under Section 11(6) before this Court at the first instance and the aforesaid Partnership Deed, Reconstitution of Partnership Deed and JDAs were interconnected due to which the said application could not be decided in isolation. Therefore, in view of the said observation made by the High Court for the State of Telangana, the present petition filed by the petitioner before this Court is maintainable.

5.5. Lastly, in furtherance of the above, learned counsel contended that under Section 11(11) of the Act, the arbitration institution to which the request for appointment of an arbitrator has been made first shall be the competent Court to appoint the arbitrator.

Therefore, he contended that, since the petitioner filed the present petition before this Court on 02.06.2025, and Arbitration Application No.259/2025 was filed by respondent Nos.1 to 3 on 25.11.2025, the same was dismissed as per the provisions of Section 11(11) of the Act on the ground that the petitioner had already approached this Court and that the petitioner's application is the first application. Thus, the order passed by the High Court for the State of Telangana has attained finality. Therefore, he contended that the present petition is maintainable before this Court.

5.6. In support of his contentions, he has relied upon the following judgments:

- a) Interplay Between Arbitration Agreements under the Arbitration and Conciliation Act, 1996 and Stamp Act, 1899, In re. - [(2024) 6 SCC 1]
- b) Duro Felguera, S.A. v. Gangavaram Port Limited - [(2017) 9 SCC 729]

c) ASF Buildtech Private Limited v. Shapoorji Pallonji and Company Private Limited - [(2025) 9 SCC 76]

6. Per contra, learned Senior Counsel appearing for respondent Nos.1 to 3 and 5 contended that it is very clear from the prayer made in the present petition that the petitioner has invoked Clause 12 of the Partnership Deed dated 06.03.2007 (Annexure-A), and Clause 28 and Clause 27.1 of the respective JDAs dated 17.04.2018 (Annexures - E and F). Under Clause 12 of the Partnership Deed dated 06.03.2007, the seat of arbitration has not been mentioned. Under the respective arbitration clauses of the JDAs dated 17.04.2018, the seat of arbitration is agreed upon as Bengaluru. However, even though the seat of arbitration is mentioned as Bengaluru in the JDAs, the petitioner not being a signatory to the said JDAs

cannot invoke the arbitration clauses contained therein.

6.1. Learned senior counsel further contended that, in fact, the petitioner had filed a petition under Section 9 of the Act before the Commercial Court, Bengaluru, in Com.A.A.No.29/2024 and had obtained an interim order on 04.03.2025. The same was challenged by respondent No.3 Firm before this Court in COMAP No.164/2025. On 13.08.2025, the Division Bench of this Court stayed the said order dated 04.03.2025 holding that the arbitration clauses under the respective JDAs do not cover the disputes in question, which are essentially between the persons claiming to be the partners of the respondent No.3 Firm. Hence, the petitioner cannot invoke the arbitration clauses under the JDAs dated 17.04.2018 in the petition filed before this Court.

6.2. Learned senior counsel further contended that, insofar as the arbitration clause contained in the Partnership Deed dated 06.03.2007 is concerned, the seat of arbitration is not mentioned. Therefore, he contended that the petitioner has to approach the High Court for the State of Telangana, since the parties concerned reside in Secunderabad, the Partnership Deed was registered there, and respondent No.3 Firm has its registered office there. When the seat of arbitration is not expressly designated, the place most closely connected with the arbitration has to be identified for the determination of the arbitration seat. Hence, he sought for dismissal of the present petition on the ground of non-maintainability.

6.3. In support of his contentions, he has relied upon the following judgments:

- a) General Manager, East Coast Railway Rail Sadan & Anr. v. Hindustan Construction Co. Ltd., (Civil Appeal No.4747 of 2022 decided on July 22, 2022) - [(2022) 6 SCR 785]
- b) J&K Economic Reconstruction Agency v. Rash Builders India Private Limited - [2026 SCC OnLine SC 596]
- c) Hotel Leelaventure Limited v. Appejay Oxford Bookstores Pvt. Ltd. – [ILR 2006 KAR 4449]

7. Learned counsel appearing for respondent No.4 contended that the petitioner has filed the present petition by invoking the arbitration clauses contained in the respective JDAs dated 17.04.2018. Since the petitioner is not a signatory to the said JDAs, he has no locus to invoke the arbitration clauses contained therein. He further contended that respondent No.4 has not violated any of the terms and conditions of the JDAs and that no dispute has arisen under the

said JDAs so as to attract the arbitration clauses contained therein. Hence, the present petition is not maintainable.

7.1. Secondly, the learned counsel contended that the Partnership Deed dated 06.03.2007 as well as the Reconstitution of Partnership Deed dated 18.06.2018 were executed at Secunderabad. The registered office of respondent No.3 Firm is situated at Secunderabad, the business of the Firm is also carried on at Secunderabad and that the respondent No.3 Firm is also registered with the Registrar of Firms at Hyderabad. Therefore, the entire cause of action has arisen at Secunderabad. Under these circumstances, the 'Court' at Secunderabad would have the subject-matter as well as territorial jurisdiction over the dispute. Therefore, the present petition filed before this Court is not maintainable.

7.2. Learned counsel further contended that the expression "Court" is defined under Section 2(1)(e)(i) of the Act. By a conjoint reading of Sections 11(5), 11(6) and 11(11), read with Section 11(12) of the Act, it is clear that the High Court of Telangana has territorial jurisdiction and is the competent Court to entertain the present petition. Hence, he sought for dismissal of this petition.

8. Heard the learned counsel for the parties and perused the petition papers.

9. This petition is filed by the petitioner under Sections 11(5) and 11(6) of the Act seeking the appointment of a sole arbitrator to arbitrate the dispute between the parties in terms of Clause 12 of the Partnership Deed dated 06.03.2007, Clause 28 of the JDA dated 17.04.2018 and Clause 27.1 of the JDA dated 17.04.2018.

10. From the relief sought in this petition, it is evident that the petitioner has invoked the arbitration clauses contained in the Partnership Deed dated 06.03.2007 and the JDAs dated 17.04.2018. Even in the notice issued under Section 21 of the Act, the petitioner has invoked the said arbitration clauses. Therefore, it is clear that the present petition has been filed seeking appointment of an arbitrator in terms of the said arbitration clauses contained in the Partnership Deed and the JDAs.

11. The preliminary objection raised by the respondents is that, insofar as the JDAs are concerned, the petitioner is neither a party nor a signatory thereto. The JDAs were executed between respondent No.3 Firm, respondent No.4 Developer and other landowners. It is further contended that there is no breach of any of the terms and conditions of the JDAs. Since no dispute arises under the JDAs, the

petitioner cannot invoke the arbitration clauses contained therein.

12. The petitioner filed an application under Section 9 of the Act before the X Additional City Civil and Sessions Judge (Commercial Division), Bengaluru Rural District, Bengaluru, in Com.A.A.No.29/2024 and obtained an interim order dated 04.03.2025. Being aggrieved by the same, respondent No.3 Firm filed COMAP No.164/2025 before this Court, contending, inter alia, that the petition filed by the petitioner under Section 9 of the Act was not maintainable, as he was not a signatory to the JDAs and prima facie, it does not appear that disputes arise from the said JDAs. The Division Bench of this Court, by order dated 13.08.2025 in COMAP No.164/2025, passed the following interim order:

"1. The appellant [respondent No.3] has filed the present appeal impugning an ad interim order dated 04.03.2025, passed by

the learned Commercial Court [X Additional District and Sessions Judge, Bengaluru Rural District, Bengaluru] in IA Nos.1 and 2 in Com.AA.No.29/2024.

2. The said petition was filed by respondent No.1 [applicant] under Section 9 of the Arbitration and Conciliation Act, 1996, [A&C Act], seeking interim measure of protection in respect of the disputes, which the respondents claim arise in the backdrop of the Joint Development Agreements dated 17.04.2018 [two in number]. The said agreements are between the land owners and Developer for jointly developing certain lands [schedule properties].

3. It is noted that the petition filed under Section 9 of the A&C Act, also refers to the disputes interse, the partners of M/s. Building Solutions and Co., which is a registered Partnership Firm [the Firm] and is a party to the Joint Development Agreements.

4. Prima facie, it does not appear that the disputes arise from the Joint Development Agreements, inasmuch as, Provident Housing Limited [the Developer] has not defaulted in its obligations regarding development of the subject properties. The dispute is, essentially, between persons claiming to be the partners of the Firm regarding a separate transaction, whereby the said Firm is stated to have sold lands in

favour of the Developer. The respondent claims to be a partner of the said Firm and is essentially aggrieved by the transaction entered into by the partners of Firm to his exclusion. The said dispute, does not prima facie, arise from the Joint Development Agreements.

5. Prima facie, an application under Section 9 of A&C Act, for interim measure of protection, in the context of arbitration agreement under the said Joint Development Agreements would not lie. This is, essentially, for the reason that the Arbitration Agreement [Arbitration clause] under the Joint Development Agreements does, prima facie, not cover the disputes in question, which is essentially between persons claiming to be partners of the Firm.

6. It is also material to note that insofar as the disputes between the interse partners of the Firm are concerned, the persons claiming to be the partners in Firm have filed petition under Section 9 of the A&C Act before the learned Commercial Court in Hyderabad.

7. Admittedly, the said petition was filed prior to the respondent No.1 filing the petition in AA No.29/2024. In this view as well, prima facie, the petition under Section 9 of A&C Act, in respect of those disputes is not maintainable before the Commercial Court.

8. In the given circumstances, the impugned order is stayed.

9. In the meanwhile, considering the serious disputes between the persons and respondents, interse the partners of the Firm, we consider apposite to restrain the Firm and its partners in dealing in any manner, transferring or alienating any of the assets [moveable or otherwise] of the Firm.

10. We also consider it apposite to refer the appellant and respondent No. 2 to the Mediation.

11. We request Mr. Prashanth Chandra, Advocate, to act as a Mediator and assist the parties in resolving their disputes.

12. The learned Mediator shall fix the remuneration in consultation with the learned counsel for the parties.

13. Let the Mediation Report be filed before the next date of hearing.

14. List on 12.09.2025."

13. A perusal of the aforesaid interim order makes it clear that, prima facie, the disputes in question do not

arise from the JDAs and that the arbitration clauses contained in the JDAs do not cover the disputes in question which essentially relate to the persons claiming to be partners of respondent No.3 Firm. Therefore, the petitioner cannot invoke the arbitration clauses contained in the JDAs for seeking appointment of an arbitrator in respect of the disputes raised by him. Accordingly, the present petition, insofar as it seeks appointment of an arbitrator by invoking the arbitration clauses contained in the JDAs, is not maintainable.

14. Insofar as the appointment of an arbitrator pursuant to the arbitration clause contained in the Partnership Deed dated 06.03.2007 is concerned, the said Deed does not specify the seat, venue or place of arbitration. In such circumstances, for determining the territorial jurisdiction of this Court to entertain the present application, it is necessary to identify the

place of arbitration by applying the “closest and most intimate connection” test, i.e., by identifying the place having the closest and most intimate connection with the arbitration. The intention of the parties in this regard has to be discerned from the arbitration agreement and the surrounding circumstances, as held by the Hon’ble Apex Court in ***J&K Economic Reconstruction Agency v. Rash Builders India Pvt. Ltd., 2026 SCC OnLine SC 596.*** Paragraph 18 of the said judgment is relevant and is extracted hereunder:

“18. Thus, the principles governing the distinction between the seat and venue of the arbitration, and the jurisdictional consequences that follow, may be summarised as under:—

(i) The seat of arbitration constitutes the juridical home or legal place of arbitration. It determines the curial law governing the arbitral process and identifies the Court having supervisory control over the arbitration.

(ii) Once the seat is designated by agreement of the parties, the courts of that place alone have exclusive jurisdiction to entertain all proceedings arising out of the arbitration, including challenges to the award. The designation of the seat operates akin to an exclusive jurisdiction clause, excluding all other courts—even those where the cause of action may have arisen.

(iii) The venue is merely a geographical location chosen for convenience for holding hearings, examination of witnesses, or meetings of the arbitral tribunal. It does not confer jurisdiction and does not, by itself, alter or determine the seat. The arbitral tribunal is free to conduct proceedings at locations different from the seat without affecting the juridical seat.

(iv) The mere fact that arbitral proceedings are conducted or the award is rendered at a particular place does not confer jurisdiction on courts of that place if it is different from the designated seat. The seat remains fixed unless expressly altered by agreement of the parties.

(v) Where the seat is not expressly designated, courts determine it by applying:

(a) the closest and most intimate connection test, identifying the place most closely connected with the

arbitration (based on the Naviera Amazonica principle); and

(b) in appropriate cases, construing the venue as the seat where the agreement and surrounding circumstances indicate such intention (as reflected in the Shashoua principle).

(vi) The intention of the parties, as discerned from the arbitration agreement and surrounding circumstances, is the paramount factor in determining the seat. Once such intention is expressed—either expressly or by necessary implication—it must be given full effect by Courts.”

15. In the present case, it is clear that the registered office of respondent No.3 Firm is situated at Secunderabad, the business of the Firm is also carried on at Secunderabad, and the Firm is registered with the Registrar of Firms at Hyderabad. Thus, the material facts giving rise to the dispute are closely connected to Secunderabad. Applying the principle laid down by the Hon'ble Apex Court in **J&K Economic Reconstruction Agency (supra)**, the

place most closely and intimately connected with the arbitration is Secunderabad. Consequently, the Court at Secunderabad would be the competent Court having subject-matter and territorial jurisdiction to entertain proceedings arising out of the alleged dispute.

16. The expression "Court" is defined under Section 2(1)(e)(i) of the Act, which reads as under:

"(e) "Court" means.—

(i) in the case of an arbitration other than international commercial arbitration, the principal Civil Court of original jurisdiction in a district, and includes the High Court in exercise of its ordinary original civil jurisdiction, having jurisdiction to decide the questions forming the subject-matter of the arbitration if the same had been the subject-matter of a suit, but does not include any Civil Court of a grade inferior to such principal Civil Court, or any Court of Small Causes;"

17. In the present case, the Principal Civil Court having jurisdiction over the subject matter of the

arbitration is situated at Secunderabad. Therefore, the High Court having jurisdiction over such Principal Civil Court is the High Court for the State of Telangana at Hyderabad. Consequently, this Court has no territorial jurisdiction to entertain the present application.

18. Learned counsel appearing for the petitioner has relied upon Section 11(11) of the Act and contended that, where more than one application has been made under Sections 11(4), 11(5) or 11(6) before different arbitral institutions, the arbitral institution to which the application was first made shall be competent to appoint the arbitrator. He further relied upon the order dated 14.08.2026 passed by the High Court for the State of Telangana, Hyderabad, in Arbitration Application No.259/2025 to contend that, since the petitioner had already approached this Court seeking appointment of an arbitrator, the application subsequently filed by respondent Nos.1 to 3 before

the High Court of Telangana came to be dismissed having regard to Section 11(11) of the Act, hence, the said order has attained finality and, therefore, the present petition is maintainable before this Court.

19. In order to consider the said contention of the learned counsel for the petitioner, it is relevant to extract Sections 11(5), 11(6), 11(6-A), 11(11) and 11(12) of the Act, which read as under:

Section 11(5)

"(5) Failing any agreement referred to in sub-section (2), in an arbitration with a sole arbitrator, if the parties fail to agree on the arbitrator within thirty days from receipt of a request by one party from the other party to so agree, the appointment shall be made, on an application of the party, in accordance with the provisions contained in sub-section (4)."

Section 11(6)

"(6) Where, under an appointment procedure agreed upon by the parties. —

(a) a party fails to act as required under that procedure; or

(b) the parties, or the two appointed arbitrators, fail to reach an agreement expected of them under that procedure; or

(c) a person, including an institution, fails to perform any function entrusted to him or it under that procedure,

the appointment shall be made, on an application of the party, by the arbitral institution designated by the Supreme Court, in case of international commercial arbitration, or by the High Court, in case of arbitrations other than international commercial arbitration, as the case may be, to take the necessary measure, unless the agreement on the appointment procedure provides other means for securing the appointment”.

Section 11(6-A)

“(6-A) The Supreme Court or, as the case may be, the High Court, while considering any application under sub-section (4) or sub-section (5) or sub-section (6), shall, notwithstanding any judgment, decree or order of any court, confine to the examination of the existence of an arbitration agreement.”

Section 11(11)

“(11) Where more than one request has been made under sub-section (4) or sub-section (5) or sub-section (6) to different arbitral institutions, the arbitral institution to which the request has been first made

under the relevant sub-section shall be competent to appoint."

Section 11(12)

"(12)(a) Where the matters referred to in sub-sections (4), (5), (6), (7), (8) and sub-section (10) arise in an international commercial arbitration, the reference to the "Supreme Court or, as the case may be, the High Court" in those sub-sections shall be construed as a reference to the "Supreme Court"; and

(b) where the matters referred to in sub-sections (4), (5), (6), (7), (8) and sub-section (10) arise in any other arbitration, the reference to "the Supreme Court or, as the case may be, the High Court" in those sub-sections shall be construed as a reference to the "High Court" within whose local limits the principal civil court referred to in clause (e) of sub-section (1) of Section 2 is situate, and where the High Court itself is the court referred to in that clause, to that High Court."

20. As per Section 11(11) of the Act, where more than one application is filed in respect of the same arbitration agreement before different High Courts, the High Court before which the application was first

made is competent to consider the request for appointment of an arbitrator. The mere fact that an earlier application has been filed before another High Court does not, by itself, determine the territorial jurisdiction of the subsequent Court. The scope and effect of Sections 11(11) and 11(12) of the Act were considered by this Court in ***Hotel Leelaventure Limited. v. Appejay Oxford Bookstores Pvt. Ltd., (ILR 2006 Karnataka 4449)***. Paragraphs 10 and 11 of the said judgment is relevant and is extracted hereunder:

"10. The subject matter of the arbitration is an area of 4236 sq. feet of accommodation in Leela Galleria. The Court has to find out under Section 16 of the Code of Civil Procedure, where the subject matter is situated and under Section 42 of the Act, which Court the parties have approached. However, under Section 11(11) of the Act, what is to be considered is the Court to which the request has been made first in point of time. Therefore, in a petition under Section 11 of the Act, when the same is opposed on the ground that it is hit by Sub-section (11) of Section 11 of the Act, it

is not open to this Court to go into the territorial jurisdiction of the Courts. It would be outside the scope of the enquiry having regard to the nature of objection taken. In view of the clear language employed by the Parliament in Section 11(11) of the Act when once a request is made for appointment of an arbitrator to different High Courts, it is the High Court to which such a request is made earlier in point of time alone will have the jurisdiction and the other Court will have no jurisdiction to entertain such a request, as long as the earlier petition for appointment of arbitrator is pending in another Court. This is based on public policy. It is to avoid both the courts appointing arbitrators and to avoid conflicting decisions on the question of jurisdiction.

11. Merely because, an application is filed in Calcutta High Court, that does not mean that the Calcutta High Court, will appoint an arbitrator as prayed for by the respondent. Before such an appointment is made, first the Calcutta High Court has to rule on its jurisdiction to appoint an arbitrator. That is a matter to be decided by the Calcutta High Court before passing any orders at the request of the respondent. The petitioner can very well raise this objection of territorial jurisdiction before the Calcutta High Court and if the objection is upheld and the petition dismissed, they can approach this Court for appointment of arbitrator. But it is not

proper for this Court to pronounce upon the jurisdiction of the Calcutta High Court.”

21. Therefore, it is clear that the High Court of Telangana, in Arbitration Application No.259/2025, has not held that this Court has territorial jurisdiction over the subject matter of the arbitration. The said application was dismissed only on the ground that the petitioner had already approached this Court seeking appointment of an arbitrator before the respondent Nos.1 to 3 filed their application before the High Court for the State of Telangana. While dismissing the said application, liberty was reserved to the respondent Nos.1 to 3 to urge all available grounds before this Court. Thus, the High Court of Telangana has neither held that this Court has territorial jurisdiction nor that the High Court of Telangana lacks territorial jurisdiction.

22. In view of the above discussion, and in the absence of any specific seat, venue or place of arbitration in the Partnership Deed dated 06.03.2007, having regard to the fact that the respondent No.3 Firm is registered and carries on its business at Secunderabad, and applying the principles laid down by the Hon'ble Apex Court as well as this Court in the judgments referred to above, this Court is of the view that Secunderabad is the place most closely and intimately connected with the dispute referable to arbitration herein. Therefore, this Court has no territorial jurisdiction to entertain the present petition.

23. Accordingly, the petition is **dismissed**.

Sd/-
(H. T. NARENDRA PRASAD)
JUDGE

DM