



CNR: KAHC010614432026

NC: 2026:KHC:47977-DB  
COMAP No. 427 of 2026

IN THE HIGH COURT OF KARNATAKA AT BENGALURU

DATED THIS THE 3<sup>RD</sup> DAY OF SEPTEMBER, 2026

PRESENT

THE HON'BLE MR. VIBHU BAKHRU, CHIEF JUSTICE

AND

THE HON'BLE MRS. JUSTICE K.S. HEMALEKHA

COMMERCIAL APPEAL NO.427 OF 2026

**BETWEEN:**

TRACTORS AND FARM EQUIPMENT LIMITED,  
A COMPANY REGISTERED UNDER  
THE INDIAN COMPANIES ACT, 1956

HAVING ITS REGISTERED OFFICE AT  
861, ANNA SALAI,  
CHENNAI – 600 002.

HAVING ITS CORPORATE OFFICE AT  
NO.35, NUNGAMBAKKAM HIGH ROAD,  
CHENNAI – 600 034  
TAMIL NADU.

HAVING ITS BRANCH OFFICE AT  
#12, RAJEHA TOWERS,  
SHANTHALA NAGAR, MUSEUM ROAD,  
BANGALORE – 560001.  
REPRESENTED BY ITS  
AUTHORIZED OFFICER  
DARSHAN G.L.  
AGED ABOUT 34 YEARS.

...APPELLANT

(BY SRI. C.K. NANDAKUMAR, SENIOR COUNSEL FOR  
MS. RITHIKA RAVIKUMAR, ADVOCATE)



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**AND:**

M/S SRI LAKSHMI VENKATESHWARA MOTORS,  
A PARTNERSHIP FIRM HAVING ITS  
OFFICE AT: SY.NO.37, KERECHIKKANAHALLI,  
OPP. TIMES P U COLLEGE,  
B.M. ROAD, CHANNARAYAPATNA,  
HASSAN DISTRICT, KARNATAKA – 573116  
REPRESENTED BY ITS PARTNER  
MR. ANKAM SANJEEV.

...RESPONDENT

THIS COMMERCIAL APPEAL IS FILED UNDER SECTION 37(1)(b) OF THE ARBITRATION AND CONCILIATION ACT, 1996 READ WITH SECTION 13(1)(a) OF THE COMMERCIAL COURTS ACT, 2015 PRAYING TO SET ASIDE THE IMPUGNED ORDER DATED 18.08.2026 ON I.A.NO.2 OF 2026 IN COM.A.A.NO.1 OF 2026, PASSED BY THE HON'BLE PRINCIPAL DISTRICT AND SESSIONS JUDGE, (COMMERCIAL COURT), HASSAN, (ANNEXURE-A).

THIS APPEAL, COMING ON FOR ADMISSION, THIS DAY, JUDGMENT WAS DELIVERED THEREIN AS UNDER:

CORAM: HON'BLE MR. VIBHU BAKHRU, CHIEF JUSTICE  
and  
HON'BLE MRS. JUSTICE K.S. HEMALEKHA

**ORAL JUDGMENT**

(PER: HON'BLE MR. VIBHU BAKHRU, CHIEF JUSTICE)

1. The appellant has filed the present appeal under Section 37(1)(b) of the Arbitration and Conciliation Act, 1996 [**A&C Act**] read with Section 13 (1-A) of the Commercial Courts Act, 2015, impugning an *ad interim* order dated 18.08.2026 passed by the learned Principal District and Sessions Judge, Hassan



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[**Commercial Court**], on I.A.No.2/2026 in Com. A.A. No.1/2026, filed under Section 9 of the A&C Act.

2. The respondent had filed the said application, *inter alia*, praying for an order of injunction restraining the appellant from appointing any new dealer, distributor or franchisee for sale and service of Massey Ferguson Tractors within Channarayapatna Taluk, Hassan District, pending commencement and conclusion of the arbitral proceedings. Additionally, the respondent prayed for the issuance of a direction to the appellant to withdraw the notice dated 23.07.2026 withdrawing the TAFE franchise, pending the arbitral proceedings.

3. A plain reading of the impugned order indicates that the application seeking interim measures was premised on a Dealership Agreement dated 14.10.2020, which was subsequently renewed by the agreements dated 29.09.2021 and thereafter, on 29.09.2025, for a further period of three years. Copies of the said agreements have been handed over to this Court.



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4. It is relevant to refer to Clause 2 of the said agreement, which reads as under:

**"2. GRANT OF NON-EXCLUSIVE RIGHTS**

The Company grants to the Dealer a non-exclusive right during the continuance of this agreement to purchase for re-sale within the territory (Area of concentration) described in **Schedule-I** hereto (hereinafter called "**the Territory**") such of the Company's Products as are mentioned in the **Schedule-II** hereto (hereinafter called "**the Products**") on the terms and conditions hereinafter contained, it being clearly understood that the Company shall have the liberty to grant the right to any other person / persons to sell the Products of the Company in the territory (Area of concentration) or any part thereof and further that the Company shall also have the right to sell its Products directly to the customers in the territory (Area of concentration)."

5. A plain reading of Clause 2 indicates that the appellant had granted a non-exclusive dealership to the respondent. *Prima facie*, given the said agreement, the *ad interim* measure of protection restraining the appellant from engaging any other dealer may not be sustainable.

6. It is also relevant to refer to Clauses 33 and 36 of the said agreement, which are set out below:



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**“33. ARBITRATION:**

Any claim, dispute or difference of any kind whatsoever arising out of or in connection with this Agreement or the breach thereof shall be first referred for mediation and on failure to be resolved, be referred for arbitration to be conducted by a sole arbitrator appointed by the Company and the Arbitration shall be held in accordance with the provisions of the Indian Arbitration and Conciliation Act, 1996 or any amendments, modifications or reenactment thereof. Such arbitration shall be conducted in the English language at Chennai. Judgment on any Arbitration Award shall also be entered in a court of competent jurisdiction at Chennai. The parties hereby specifically agree to the exclusion of the other Courts for any issues pertaining to the Dealership or this agreement.

**36. GOVERNING LAW AND JURISDICTION:**

This Agreement shall be governed by Indian Laws and Parties agree that for any legal purpose under this Agreement the Courts in Chennai alone will have exclusive jurisdiction and the jurisdiction of other Courts will stand specifically excluded.”

7. A plain reading of the arbitration clause indicates that the parties had agreed that the arbitration proceedings would be conducted in Chennai and therefore, the place of arbitration would be Chennai. Additionally, the parties had also agreed that the Courts in Chennai alone would have exclusive jurisdiction.



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8. The appellant also states that it had appointed a dealer prior to the passing of the impugned order and that the impugned order has the propensity to lead to multiplicity of litigation.

9. The impugned order does not indicate that the Court had considered the aforesaid clauses. Since the impugned order is an *ad interim* order, this Court does not consider it apposite to examine the said issue further, except to note that the aforesaid clauses are relevant and ought to have been considered while considering issuance of an *ad interim* order. We therefore consider it apposite to suspend the impugned order.

10. We note that the application under Section 9 of the A&C Act is now listed before the learned Commercial Court on 07.09.2026. The learned Commercial Court shall consider the contentions advanced by the parties and take an informed decision after taking note of the aforesaid clauses, uninfluenced by the observations made by this Court.



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11. In view of the above, no further purpose would be served in keeping the present appeal pending. We accordingly dispose of the same. However, we grant liberty to the respondents to approach this Court, if so advised.

**Sd/-  
(VIBHU BAKHRU)  
CHIEF JUSTICE**

**Sd/-  
(K.S. HEMALEKHA)  
JUDGE**

MBM  
List No.: 2 Sl No.: 10