

**IN THE HIGH COURT OF PUNJAB AND HARYANA AT
CHANDIGARH**

CM-22926-CII-2017 in

CR-7016-2017 (O&M)

Date of decision:- 27.10.2017

M/s Sahi Sialkot Retail Outlet and Filling Station

...Petitioner

Versus

ESSAR Oil Limited and others

...Respondents

CORAM: HON'BLE MR. JUSTICE S.J. VAZIFDAR, CHIEF JUSTICE

Present:- Mr. R.S. Randhawa, Advocate,
for the petitioner.

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S.J. VAZIFDAR, C.J. (ORAL)

CM-22926-CII-2017

The application for advancing the date in the main case is allowed as prayed for.

CR-7016-2017

This is a Civil Revision against the order and judgement of the learned Additional District Judge, SAS Nagar, Mohali dated 16.09.2017 holding that he had no jurisdiction to entertain the application under Section 9 of the Arbitration and Conciliation Act, 1996.

2. The learned Judge has set out clauses 21 and 22 of the agreement relating to dispute resolution. Clause 21 provides that: "The arbitration proceedings shall be held in Mumbai.....". Clause 22, inter alia, provides that the agreement ".....shall be subject to the exclusive jurisdiction of the Courts at Mumbai only". These clauses read together indicate that Mumbai was constituted the seat or place of arbitration.

There is nothing in the agreement that suggests that Mumbai is

to be only an occasional venue of the arbitration proceedings for convenience.

3. The learned Judge, therefore, rightly held that the Courts at Mumbai alone would have jurisdiction to entertain the application in view of the judgement of the Supreme Court in *Indus Mobile Distribution Private Limited Vs Datawind Innovations Private Limited and others*, 2017(7) SCC 678. In paragraph 19, the Supreme Court held as under:-

"19. A conspectus of all the aforesaid provisions shows that the moment the seat is designated, it is akin to an exclusive jurisdiction clause. On the facts of the present case, it is clear that the seat of arbitration is Mumbai and Clause 19 further makes it clear that jurisdiction exclusively vests in the Mumbai courts. Under the Law of Arbitration, unlike the Code of Civil Procedure which applies to suits filed in courts, a reference to "seat" is a concept by which a neutral venue can be chosen by the parties to an arbitration clause. The neutral venue may not in the classical sense have jurisdiction – that is, no part of the cause of action may have arisen at the neutral venue and neither would any of the provisions of Sections 16 to 21 of CPC be attracted. In arbitration law however, as has been held above, the moment "seat" is determined, the fact that the seat is at Mumbai would vest Mumbai courts with exclusive jurisdiction for purposes of regulating arbitral proceedings arising out of the agreement between the parties."

4. The Civil Revision is accordingly dismissed.

(S.J. VAZIFDAR)
CHIEF JUSTICE

27.10.2017

Amodh

Whether speaking/reasoned	Yes/No
Whether reportable	Yes/No