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\* **IN THE HIGH COURT OF DELHI AT NEW DELHI**

+ **ARB.P. 543/2016**

S.P. SINGLA CONSTRUCTIONS ARVIND  
TECHNO ENGINEERS

..... Petitioner

Through Mr Aninurdh Wadhwa and Mr Akashi  
Chandra Jauhari, Advocates.

versus

UNION OF INDIA AND ORS

..... Respondents

Through Mr R.V. Sinha and Mr A.S. Singh,  
Advocates.

**CORAM:**

**HON'BLE MR. JUSTICE VIBHU BAKHRU**

**ORDER**

% **20.01.2017**

1. The petitioner has filed the present petition under Section 11 of the Arbitration and Conciliation Act, 1996 (hereafter 'the Act'), *inter alia*, praying that an arbitrator be appointed to adjudicate the disputes that have arisen between the parties in connection with the contract dated 08.06.2009.

2. At the outset, the learned counsel for the respondents has raised a preliminary objection as to the jurisdiction of this court. He submitted that the tenders were floated from Patna; the petitioner's bid was opened in Patna; the contract in question was executed in Patna; the works were to be performed in the State of Bihar; and the arbitration clause itself provides that the place of arbitration would be within the geographical limits of division of the Railways where the cause of action has arisen. He submits that no cause of action has arisen within the territorial jurisdiction of this court.

3. The learned counsel for the petitioner countered the aforesaid contention by submitting that this court would have territorial jurisdiction to entertain the present petition for the reason that, (a) the tenders were floated across the country and the bids could also be dropped in the drop box at Delhi; (b) that the petitioner's registered office is in Delhi and the correspondence between the respondents and the petitioner was also received in Delhi; (c) that the petitioner had appointed the arbitrator in Delhi and since respondents have not appointed the arbitrator, a part of cause of action in so far as the arbitration clause is concerned had arisen in Delhi; and (d) the Railways Board which exercises control over the Railways is situated in Delhi.

4. In my view, the submissions made by the petitioner cannot be accepted. The entire cause of action in the present case has arisen beyond the limits of National Capital Territory of Delhi. Admittedly, the contract was executed in Patna and the works were to be performed in Bihar. More importantly, the parties had also agreed that the place of arbitration would be within the geographical limits of the division of the Railways where the cause of action arises or the headquarters of the concerned Railways is situated which in this case would be in the State of Bihar. The concerned authority in the present case would be the General Manager of the concerned Railways and merely because the Railway Board is situated in Delhi would not necessarily entitle the petitioner to approach this court.

5. Thus, this court does not fall within the scope of section 2(1)(e) of the Act in so far as the subject contract is concerned. Accordingly, the present

petition is dismissed with liberty to the petitioner to file afresh before the concerned court having jurisdiction.

**VIBHU BAKHRU, J**

**JANUARY 20, 2017**

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