

FAO-5738-2017 (O&M)

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

FAO-5738-2017 (O&M)

Date of Decision: March 28, 2019

Teja Singh and Another

appellants

Versus

Tata Motor Finance Limited and Another

Respondents

CORAM:- HON'BLE MS. JUSTICE JAISHREE THAKUR

Present:- Mr. D.P. Gupta, Advocate
for the appellants.

JAISHREE THAKUR, J. (Oral)

In the instant appeal, the appellants- Teja Singh and another seeks to challenge the order of the Additional District Judge, Chandigarh dated 23.12.2016, by which his objections under Section 34 of the Arbitration and Conciliation Act filed for setting aside the award of the Arbitrator dated 04.08.2014 has been dismissed.

In brief, the facts are that the appellant herein availed of a loan for the purposes of purchasing a vehicle and the appellant No.2 was reflected as a co-borrower. On account of a default in payment of the EMI, the possession of the vehicle was taken by the respondents-Tata Motors Finance Limited and others. It appears that arbitration proceedings were also initiated against the appellant herein and an Arbitral award came into effect. It is on receipt of the said award that objections under Section 34 of the Arbitration and Conciliation Act came to be filed at Chandigarh raising

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several pleas therein *inter-alia* primarily that he was not served with a copy of notice of arbitration and that the vehicle that already been re-possessed.

The objections came to be dismissed by the Additional District Judge, Chandigarh on the ground that the Courts at Bombay would be the competent Court to decide the objections in view of Clause 24 of the Agreement which stipulates that only Courts at Bombay would have the jurisdiction to try and hear any dispute.

Aggrieved against the said dismissal of the objections, the instant appeal has been filed. Much water has flowed from the time when the objections under Section 34 were dismissed by the Additional District Judge, Chandigarh and the time when this matter came up for hearing. In the integrum, the Hon'ble Supreme Court has rendered the judgment in “ ***Indus Mobile Distribution Pvt. Limited vs. Datawind Innovations Private Limited, 2017(3)RCR(Civil) 256***”, wherein it has categorically been held that if there is an exclusive jurisdiction clause stating that a particular Court would have the jurisdiction in respect of all disputes arising under the said agreement, it is only that particular Court which would be the Court of competent jurisdiction. In this case, Clause 24 of the Agreement stipulated Mumbai as the Court of competent jurisdiction and, therefore, it would flow that the Courts at Chandigarh would not be competent to decide the objections.

Resultantly, finding no error with the order passed, the instant appeal stands dismissed.

March 28, 2019

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(JAISHREE THAKUR)
JUDGE

Whether speaking/reasoned
Whether reportable

Yes
Yes/No