



C.R.P.(MD)No.578 of 2022

BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

RESERVED ON : 17.04.2023

PRONOUNCED ON : 14.08.2023

CORAM

THE HONOURABLE MR.JUSTICE **C.SARAVANAN**

C.R.P(MD)No.578 of 2022  
and C.M.P.No.2435 of 2022

M/s.Sanghvi Movers Ltd.,  
S.No.92/Tathawade,  
Pune 411 033  
Represented by its Senior Manager – Legal  
Vinayak Shirgaonkar

... Petitioner

Vs.

M/s.Bharath Heavy Electricals Ltd.,  
Trichy,  
Represented by its Executive Director,  
Trichy(by the Senior Dy.General Manager)  
Works Contract Management Dept-Authorised Signatory)

... Respondent

Prayer : Civil Revision Petition is filed under Article 227 of Constitution of India, to strike off the proceedings in Arb.O.P.No.4 of 2017 on the file of the Principal District Court, Trichy.

For Petitioner : M/s.M.Sivavarthan



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For Respondent : Mr.Raguvaran Gopalan

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ORDER

The present Civil Revision Petition has been filed by the petitioner for the following relief:-

"To strike off the proceedings in Arb.O.P.No.4 of 2017 on the file of the Principal District Court, Trichy."

2. Arb.O.P.No.4 of 2017 has been filed under Section 34 of the Arbitration and Conciliation Act, 1996 by the respondent before the Principal District Court, Trichy to set aside award 08.08.2016 passed by the learned Arbitrator.

3. By the aforesaid award 08.08.2016, the learned Arbitrator has awarded a sum of Rs.80,98,910/- together with interest of 18% per annum to the petitioner. Operative portion of the award reads as under:-

"52. In the light of the above facts and circumstances and the findings of the Tribunal, I am allowing the claim of the Claimant\* in its entirety, which means:

a. The Respondent# should pay a sum of Rs.



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- 80,98,910 to the Claimant with interest @ 18% per annum from the date of its due till its realisation;
- b. The Respondent# should refund the Security Deposit amount;
  - c. The Respondent should release the Bank guarantee amount; and
  - d) The Respondent# should declare that the de-listing order dated 23-4-14 is illegal.
  - e) The Claimant is also entitled to costs."

(\* - Petitioner herein; # Respondent herein)

4. The petitioner had originally filed this Civil Revision Petition before the Principal Bench of this High Court. It was numbered as CRP.No. 1173 of 2017. CRP.No.1173 of 2017 was however transferred to this Bench by an order dated 21.02.2022. It was transferred with the following observation:-

*Let me not enter into a detailed discussion on the issues raised. I should express that both Mr.P.S.Raman, learned Senior Counsel appearing on behalf of the petitioner and Mr.K. Prabhakar, learned counsel appearing on behalf of the respondent were conscious of the fact that the entire issue has emanated from Arbitration O.P.No.4 of 2017, which is now pending on the file of the Principal District Court, Trichy and at first glance it would imply that the Madurai Bench would have jurisdiction to adjudicate the matter.*

*2. This revision petition has been filed taking*



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*advantage of Article 227 of the Constitution, seeking to interfere and strike of the said proceedings in O.P.0.4 of 2017, However, in view of the fact that Trichy District comes under the jurisdiction of the Madurai Bench, the learned Senior Counsel stated that this Court can exercise its plenary powers under Article 227 of the Constitution and can pass orders to transfer Arbitration O.P.No.4 of 2017 from the file of the Principal District Court at Trichy to the Original side of the Madras High Court and that the petitioner herein would work out his remedies regarding further proceedings in the said original petition at the Principal Seat at Chennai.*

*3. A memo to that effect was also filed. Objections were also filed by the respondent, who did not concede to the said procedure. It was stated that, it would only be appropriate that the issues can be heard before the Madurai Bench.*

*4. The focus of the Civil Revision Petition appears to be to strike off Arbitration O.P.No.4 of 2017. If this revision petition were to be considered as a transfer petition then to a little extent, there would be a compromise on that particular larger relief, which is sought by the petitioner herein, since it might also indicate that the Original Petition should be transferred for hearing, compromising the relief of striking of. I would not be privy to that aspect.*

*5. If the revision petition filed to strike off Arbitration O.P.No.4 of 2017 is converted to a transfer petition and thereafter, if the petition is transferred from Trichy to the Original Side of*



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*the Madras High Court, then the petitioner herein might be called upon to foreclose seeking interference of further continuation of Arbitration O.P.No.4 of 2017, after it is renumbered and taken on file.*

*6. Therefore, let me not pass any order on that particular line. It would rather permit the learned counsel on record for the petitioner to take return of the papers filed in the present CRP (PD).No.1173 of 2017 and represent the same before the Madurai Bench. The larger relief seeking interference with continuation of Arbitration O.P.No.4 of 2017 on the file of the District Court Trichy can be pursued further by the revision petitioner before the Madurai Bench and I am confident that it would not cause any prejudice to either of the parties.*

*7. Mr.M.Sivavarthanan, learned counsel for the revision petitioner may therefore, be permitted by the Registry to take return of the records in C.R.P(PD) No.1173 of 2017 and the learned counsel may endeavour to take such records on or before \*10/03/2022 and represent the same before the Madurai Bench on or before \*18.03.2022. Let the matter proceed further in the manner known to law.*

*8. The interim order already granted may continue till the matter is heard in the first instance by the Madurai Bench or the Madras High Court.*

*9. Mr.K. Prabhakar, learned counsel for the respondent stated that since this Court has no jurisdiction to examine the issues raised in the Civil Revision Petition, this Court is also restricted from extending the interim order till*



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*the matter is heard by the Madurai Bench. The learned counsel would however, further state that the respondent would not initiate further proceedings till the matter is heard before the Madurai Bench."*

5. Pursuant to the above order, the present Civil Revision Petition was transferred has been re-numbered as CRP(MD)No.578 of 2022 before this Bench.

6. The petitioner was earlier aggrieved by the manner of appointment of the Arbitrator by an officer of the respondent namely the Executive Director or his representative. Therefore, the petitioner filed O.P.No.493 of 2014 under Section 11 of the Arbitration and Conciliation Act, 1996.

7. Under the Special Conditions of the contract, the power was vested with the Executive Director of the Respondent at Trichy to authorise his representative to appoint an arbitrator. As per the agreement, only the Courts in Trichy had jurisdiction.

8. O.P.No.493 of 2014 filed by the petitioner and culminated in an order dated 21.11.2014. By virtue of order dated 21.11.2014 in O.P.No.493



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of 2014, a Retired Judge of the Principal Bench of this High Court was appointed as the Sole Arbitrator.

9. The Sole Arbitrator has passed an award on 08.08.2006 by allowing the claim of the petitioner substantially. Aggrieved by the award passed by the Arbitrator, the respondent has filed O.P.No.4 of 2017 1996 before the Principal District Court, Trichy under Section 34 of the Arbitration and Conciliation Act.

10. In the present Civil Revision, it is the case of the petitioner that the challenge to the Award dated 08.08.2016 before the Principal District Court by the respondent in Arbitration O.P.No.4 of 2017 before the Principal District Court was bad in law and therefore Arbitration O.P.No.4 of 2017 filed before the Principal District Court was liable to be struck off.

11. It is the case of the petitioner that the agreement dated 11.12.2012 was silent regarding the “seat of arbitration”. It is submitted that since the arbitration was held at Chennai, only the High Court of Madras, at Chennai has jurisdiction and the Principal District Court in Trichy lacked



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territorial jurisdiction. It is therefore submitted that O.P.No.4 of 2017 filed by the respondent under Section 34 of the Arbitration and Conciliation Act, 1996 before the Principal District Court in Trichy was liable to be struck off.

12. The learned Senior counsel for the petitioner submits that there is no dispute that arbitration took place at Chennai and there is also no dispute that the learned Arbitrator has given the particulars contemplated under Section 31 of the Arbitration and Conciliation Act by stating that the arbitration has taken place in Chennai and parties having consented for having arbitration in Chennai, the seat of arbitration has to be construed as Chennai and therefore, the District Court at Trichy did not have territorial jurisdiction.

13. The learned counsel for the petitioner has drawn attention to Section 20 of the Arbitration and Conciliation Act, which deals with the place of arbitration and Sections 31 and 34 of the Arbitration and Conciliation Act. In support of the plea, the learned Senior counsel for the petitioner has referred to the decision of the Hon'ble Supreme Court in the following cases:



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1. **Bharat Aluminium Company Vs Kaiser Industries Australia Limited** (2012) 9 SCC 552.
2. **Indus Mobile Distribution Private Limited Vs Datawind Innovations Private Limited** (2017) 7 SCC 678.
3. **BGS SGS Soma JV Vs NHPC Limited** (2020) 4 SCC 234.
4. **Inox Renewables Limited Vs Jayesh Electricals Limited** (2021) SCC Online SC 448
5. **Perkins Eastman Architects DPC and others Vs HSCC (India) Limited** (2019) SCC Online SC 1517.
6. **E.Mary Oliviya Vs E.Joshua Milton** (2008) 7 MLJ 1012”

14. It is submitted that in the light of the decision rendered in 2, 3 and 4 decisions, it has to be held that the seat of arbitration was Chennai and therefore, only the Courts in Chennai were competent to entertain the petition under Section 34 of the Arbitration and Conciliation Act, 1996.

15. Per contra, the learned counsel for the respondent on the other hand submits that Clause 29 of the special condition to the contract has not been diluted. It is submitted that though there was an intervention as far as



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Clause 28 is concerned by filing O.P.No.493 of 2014, which culminated in an appointment of learned Arbitrator, the Jurisdiction of the Principal District Judge was not ousted.

16. However, thereafter, once the arbitration award is passed, Clause 29 has to be complied. There is no dilution to the said clause. It is submitted that Section 20 (2) of the Arbitration and Conciliation Act gives the power to the Arbitral Tribunal to determine the place of arbitration where the agreement is silent.

17. It is submitted that the Arbitral Tribunal had only tentatively fixed the sitting at Chennai for the convenience of the parties and in the interest of the parties and as and if an occasions arose, the Arbitral Tribunal could alter the venue from Chennai to any other place.

18. It is submitted that there was no final determination regarding the seat of arbitrator. The learned counsel for the respondent also submits that the decision of the Hon'ble Supreme Court in the case of **Inox Renewables Limited Vs Jayesh Electricals Limited** reported in (2021) SCC Online SC

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448 cannot be applied to the facts of the case as it dealt with a totally different situation altogether. The learned counsel for the respondent has also referred to the tender documents which reads as under:

"Transportation of Single Indivisible Consignments weighing more than 31 MTS (In case of length of consignment more than 15 meters)/More than 33 MTs (in case of length of consignment upto 15 meters) and upto 99 MTs by Road, using Hydraulic Axles with suitable prime movers and required spacers/and other implements from Harbour and CFSs of Chennai, Karaikal and Tuticorin to BHEL Trichy & to any place in India and vice versa".

19. The learned counsel for the respondent has placed reliance on the decision of the following cases:-

- i. **State of West Bengal Vs Associated Contractors** (2015) 1 SCC 32.
- ii. **Board of Trustee, VOC Port Trust Vs.PSA Sical** 2015-3-LW-541.
- iii. **TRF Limited Vs Energo Engineering Projects Limited** reported in (2017) 8 SCC 377
- iv. **State of Bihar Vs Bihar Rajya Bhumi Vikas Samiti** (2018) 9 SCC 472.



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**v. Hindustan Construction Company Limited Vs  
NHPCLimited (2020) 4 SCC 310.**

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20. By way of rejoinder, the learned Senior counsel for the petitioner submitted that the decision of this Court in the case of **Board of Trustee, VOC Port Trust Vs.PSA Sical** reported in 2015-3-LW-541 is no longer relevant in the decision of the Hon'ble Supreme Court cited by the learned counsel for the respondent as mentioned above.

21. It is submitted that once the learned Arbitrator had exercised the jurisdiction under Section 22 of the Arbitration and Conciliation Act, the question of Courts in Trichy exercising the power under Section 34 of the Arbitration and Conciliation Act did not arise.

22. As per Section 20 (2) of the Arbitration and Conciliation Act, 1996 in case there is no disagreement regarding the place of arbitration, place of arbitration shall be determined by the Arbitral Tribunal having regard to the circumstances of the case including the convenience of the parties. Section 20 of the Arbitration and Conciliation Act, 1996, reads as under:-

**20. Place of arbitration. —**

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(1) The parties are free to agree on the place of arbitration.

(2) Failing any agreement referred to in sub-section (1), the place of arbitration shall be determined by the arbitral tribunal having regard to the circumstances of the case, including the convenience of the parties.

(3) Notwithstanding sub-section (1) or sub-section (2), the arbitral tribunal may, unless otherwise agreed by the parties, meet at any place it considers appropriate for consultation among its members, for hearing witnesses, experts or the parties, or for inspection of documents, goods or other property.”

23. The expression “Court “ has been defined under Section 2(1)(e) as follows:-

2(1)e) “Court” means 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;

24. As per Section 42 of the Arbitration and Conciliation Act, 1996, where with respect to an arbitration agreement any application under this Part



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has been made in a Court, that Court alone shall have jurisdiction over the arbitral proceedings and all subsequent applications arising out of that agreement and the arbitral proceedings shall be made in that Court and in no other Court.”

25. Section 42 of the Arbitration and Conciliation Act, 1996 reads as under: -

“42.**Jurisdiction.** :- Notwithstanding anything contained elsewhere in this Part or in any other law for the time being in force, where with respect to an arbitration agreement any application under this Part has been made in a Court, that Court alone shall have jurisdiction over the arbitral proceedings and all subsequent applications arising out of that agreement and the arbitral proceedings shall be made in that Court and in no other Court.”

26. We don't have a situation contemplated in Section 42 of the Arbitration and Conciliation Act, 1996.

27. To answer the issue involved, it will be useful to refer to the trajectory of the Arbitration proceeding before the learned Arbitrator till the passing of the award on 08.08.2016.



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28. On the first meeting of the Arbitral Tribunal was held on 03.01.2015 at 11.30 a.m. at the residence of the learned Arbitrator at Chennai. The parties mutually agreed that the sitting of the Tribunal shall be at Chennai.

29. The Minutes of Meeting held before the learned Arbitrator on 03.01.2015 records that the procedure for the arbitration proceeding was being determined with the consent of the parties. Clause 8 and 9, the Minutes of Meeting was held on 03.01.2015 reads as under:-

| Clause 8                                                                                                                                                                                                                                                                                                                                                                                                 | Clause 9                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 8. <u>The sittings of the Tribunal shall be at Chennai</u> , unless the parties and the Arbitrators agree, for the sake of convenience holding of the sitting and in the interest of the parties at any place outside <u>Chennai</u> . As and when any such occasion arises, the parties on either side shall/or as the Tribunal shall decide should share all the expenses, therefore, in equal halves. | 9. The parties and the learned counsel present mutually agree their next sitting of the Tribunal shall be on 24.03.2015 at 05.00 p.m at Chennai at the place chosen by the parties for the purpose of settling issues, marking of undisputed documents, if any, and for any further hearing as found to be required. The respondent shall make all arrangements for the next sitting of the Arbitral Tribunal to be held on 24.03.2015 at 05P.M and the arrangement for sitting shall be made alternatively by rotation. |



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30. In this context, it will be useful to refer to the decision of the Hon'ble Supreme Court in **Bharat Aluminium Company vs. Kaiser Aluminium Technical Services Inc.**, (2012) 9 SCC 552. It held that “subject-matter of the arbitration” cannot be confused with “subject-matter of the suit”.

31. At the same time, in para 96, a somewhat confusing decision was given. It held that the courts within whose jurisdiction the arbitration takes place would be required to exercise supervisory control over the arbitral process irrespective of the fact that the obligations to be performed under the contract were to be performed elsewhere. At the same time, in the illustration in para 96, it also held both courts i.e. court within whose jurisdiction arbitration takes place within whose jurisdiction the subject-matter of the suit is situated will have jurisdiction. Para 96 is extracted below:-

“96.....We are of the opinion, the term “***subject-matter of the arbitration***” cannot be confused with “*subject-matter of the suit*”. The term “*subject-matter*” in Section 2(1)(e) is confined to Part I. It has a reference and connection with the process of dispute resolution. **Its purpose is to identify the courts having supervisory control over the arbitration proceedings.** Hence, it refers to a court which would essentially be a court of the seat of the arbitration process. In our



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opinion, the provision in Section 2(1)(e) has to be construed keeping in view the provisions in Section 20 which give recognition to party autonomy. Accepting the narrow construction as projected by the learned counsel for the appellants would, in fact, render Section 20 nugatory. In our view, the legislature has intentionally given jurisdiction to two courts **i.e. the court which would have jurisdiction where the cause of action is located and the courts where the arbitration takes place.** This was necessary as on many occasions the agreement may provide for a seat of arbitration at a place which would be neutral to both the parties. **Therefore, the courts where the arbitration takes place would be required to exercise supervisory control over the arbitral process.** For example, if the arbitration is held in Delhi, where neither of the parties are from Delhi, (Delhi having been chosen as a neutral place as between a party from Mumbai and the other from Kolkata) and the tribunal sitting in Delhi passes an interim order under Section 17 of the Arbitration Act, 1996, the appeal against such an interim order under Section 37 must lie to the courts of Delhi being the courts having supervisory jurisdiction over the arbitration proceedings and the tribunal. **This would be irrespective of the fact that the obligations to be performed under the contract were to be performed either at Mumbai or at Kolkata, and only arbitration is to take place in Delhi. In such circumstances, both the courts would have jurisdiction i.e. the court within whose jurisdiction the subject-matter of the suit is situated and the courts within the jurisdiction of which the dispute resolution i.e. arbitration is located.**”



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WEB COPY 32. In **Indus Mobile Distribution Pvt.Ltd. vs. Datawind Innovations**

**Pvt. Ltd.**, (2017) 7 SCC 678, the Hon'ble Supreme Court held that once the seat of arbitration has been fixed, it would be in the nature of an exclusive jurisdiction clause as to the Courts which exercise supervisory powers over the arbitration. It would be exclusive jurisdiction as this is the court which exercises supervisory powers over arbitration. Relevant portion of the decision, reads as under:-

“13. This Court reiterated that once the seat of arbitration has been fixed, it would be in the nature of an exclusive jurisdiction clause as on the Courts which exercise supervisory powers over the arbitration.”

33. The Hon'ble Supreme Court in **Indus Mobile Distribution Pvt.Ltd. vs. Datawind Innovations Pvt. Ltd.**, (2017) 7 SCC 678 considered the recommendation of the law commission and concluded as follows:-

“18. The amended Act, does not, however, contain the aforesaid amendments, presumably because the **BALCO** [**BALCO v. Kaiser Aluminium Technical Services Inc.**, (2012) 9 SCC 552 : (2012) 4 SCC (Civ) 810] judgment in no uncertain terms has referred to “place” as



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“juridical seat” for the purpose of Section 2(2) of the Act. It further made it clear that Sections 20(1) and 20(2) where the word “place” is used, refers to “juridical seat”, whereas in Section 20(3), the word “place” is equivalent to “venue”. **This being the settled law, it was found unnecessary to expressly incorporate what the Constitution Bench of the Supreme Court has already done by way of construction of the Act.**

**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.”**



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34. In **BGS SGS Soma JV vs. NHPC Limited**, (2020) 4 SCC 234,

the position was further clarified. The Court clarified that what constitutes the “juridical seat” of arbitral proceedings, and whether, once the seat is delineated by the arbitration agreement, courts at the place of the seat would alone thereafter have exclusive jurisdiction over the arbitral proceedings.”

There, the arbitration clause stated that that “*Arbitration proceedings* shall be held at New Delhi/Faridabad, India...” However, parties chose New Delhi as the place of arbitration. The Court held as under:-

97. Given the fact that if there were a dispute between NHPC Ltd. and a foreign contractor, Clause 67.3(vi) would have to be read as a clause designating the “seat” of arbitration, the same must follow even when sub-clause (vi) is to be read with sub-clause (i) of Clause 67.3, where the dispute between NHPC Ltd. would be with an Indian contractor. The arbitration clause in the present case states that “*Arbitration proceedings* shall be held at New Delhi/Faridabad, India...”, thereby signifying that all the hearings, including the making of the award, are to take place at one of the stated places. Negatively speaking, the clause does not state that the venue is so that some, or all, of the hearings take place at the venue; neither does it use language such as “the Tribunal may meet”, or “may hear witnesses, experts or parties”. The expression “shall be held” also indicates that the so-called “venue” is really the “seat” of the arbitral proceedings. The



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dispute is to be settled in accordance with the Arbitration Act, 1996 **which, therefore, applies a national body of rules to the arbitration that is to be held either at New Delhi or Faridabad, given the fact that the present arbitration would be Indian and not international. It is clear, therefore, that even in such a scenario, New Delhi/Faridabad, India has been designated as the “seat” of the arbitration proceedings.**

**98.** However, the fact that in all the three appeals before us the proceedings were finally held at New Delhi, and the awards were signed in New Delhi, and not at Faridabad, would lead to the conclusion that both parties have chosen New Delhi as the “seat” of arbitration under Section 20(1) of the Arbitration Act, 1996. **This being the case, both parties have, therefore, chosen that the courts at New Delhi alone would have exclusive jurisdiction over the arbitral proceedings. Therefore, the fact that a part of the cause of action may have arisen at Faridabad would not be relevant once the “seat” has been chosen, which would then amount to an exclusive jurisdiction clause so far as courts of the “seat” are concerned.”**

**35. In Hindustan Construction Company Limited vs. NPHC Limited and another, (2020)4 SCC 310, wherein in para 4 & 5 of the decision, the Hon’ble Supreme Court held as under:-**



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36. This was made in the backdrop of explaining para 96 of **BALCO** [*BALCO v. Kaiser Aluminium Technical Services Inc.*, (2012) 9 SCC 552 : (2012) 4 SCC (Civ) 810] , which judgment read as a whole declares that once the seat of arbitration is designated, such clause then becomes an exclusive jurisdiction clause as a result of which only the courts where the seat is located would then have jurisdiction to the exclusion of all other courts.

37. Given the finding in this case that New Delhi was the chosen seat of the parties, even if an application was first made to the Faridabad Court, that application would be made to a court without jurisdiction. This being the case, the impugned judgment is set aside following *BGS SGS Soma JV* [*BGS SGS Soma JV v. NHPC*, (2020) 4 SCC 234] , as a result of which it is the courts at New Delhi alone which would have jurisdiction for the purposes of challenge to the award.

38. A Similar view was taken by the Hon'ble Supreme Court in **Inox Renewables Ltd. vs. Jayesh Electricals Ltd.**, (2023) 3 SCC 733 as is evident from para 10, wherein it was held as under :-



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10. What is clear, therefore, as per this paragraph is that by mutual agreement, parties have specifically shifted the venue/place of arbitration from Jaipur to Ahmedabad. This being so, is it not possible to accede to the argument made by the learned counsel for the respondent that this could only have been done by written agreement and that the arbitrator's finding would really have reference to a convenient venue and not the seat of arbitration.

39. Thus, it is clear that the Court within whose jurisdiction the arbitration take place which will have jurisdiction. It is the said Court which is required to exercise supervisory control over the arbitration proceeding as per the decision of the Hon'ble Supreme Court in **Bharat Aluminium Company vs. Kaiser Aluminium Technical Limited**, (2012) 9 SCC 552 referred *supra* and other decisions of the Hon'ble Supreme Court referred to *supra*.

40. Thus, it is clear that although no part of cause of action had arisen within the jurisdiction of the Madras High Court in the strict sense the parties have consented for seat of arbitration at Chennai. They have conferred jurisdiction exclusively the Courts in Chennai. Since the arbitration was conducted in Chennai and no other courts, can have jurisdiction.



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41. Therefore, it is only the High Court of Madras or Principal District Judge, City Civil Court who can entertain a petition under Section 34 of the Arbitration and Conciliation Act, 1996 and not the District Court, Trichy .

42. In view of the above, this Civil Revision Petition is partly allowed. The respondent is permitted to take return of the Arbitration O.P.No.4 of 2017 from the file of Principal District Court, Trichy for representation before the Commercial Division at the Principal Bench of this High Court at Madras or before the Jurisdictional District , Commercial Court of Competent Jurisdiction in Chennai.

43. Such exercise shall be carried out by the respondent within 30 days from the date of receipt of a copy of this order. No costs. Consequently, connected miscellaneous petition is closed.

Index : Yes/No

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Internet : Yes/No

Neutral Citation : Yes/No

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To

The Principal District Judge,

Trichy.



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**C.SARAVANAN,J**

kkd

Pre-delivery Order in  
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