



2024:DHC:8767



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IN THE HIGH COURT OF DELHI AT NEW DELHI

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Date of Decision : 11.11.2024

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ARB.P. 244/2024

MOHD. KHALID, PROPRIETOR OF M/S P.S. SOLUTIONS INC.

.....Petitioner

Through: Mr. A.P. Dhamija and Ms. Tanya
Sharma, Advs.

versus

HINDUSTAN CONSTRUCTION COMPANY LIMITED & ORS.

.....Respondents

Through: Mr. Anshuman Sharma, Adv.
(through v/c), Mr. Azaz Ahmed, Adv.
for R-1.**CORAM:****HON'BLE MR. JUSTICE SACHIN DATTA****SACHIN DATTA, J. (ORAL)**

1. The present petition filed under Section 11 of the Arbitration and Conciliation Act, 1996 (hereinafter referred as 'A&C Act') seeks appointment of a Sole Arbitrator to adjudicate the disputes between the parties.
2. The relevant arbitration clause, on the basis of which the present petition has been filed, is in the following terms:

“Clause 12.0 Settlement of Disputes:

If a dispute of any kind whatsoever arises between the Contractor and the Subcontractor in connection with, or arising out of, the Subcontractor of the execution of the Subcontract Works, whether during the execution of the Subcontract Works or after their completion and whether before or after repudiation or other termination of the Subcontract, then the Contractor or the Subcontractor may give a notice of such dispute to the other party, in which case the parties shall attempt for the next fifty six days to settle such dispute amicably through offices of Project Manager/Project Controller/GM-



*Subcontracts of NCC before the commencement of arbitration. Such notice shall state that it is made pursuant to this clause. Any dispute which has not been amicably settled within fifty six days after the day on which such notice is given shall be finally settled in accordance with the Arbitration & Conciliation Act, 1996 by sole arbitrator to be nominated by the Chairman & Managing Director of HCC, Mumbai. The Arbitration may be commenced prior to or after completion of the Subcontract Works, provided that the obligations of the Contractor and the Subcontractor shall not be altered by reason of the arbitration being conducted during the progress of the Subcontract Works. The venue shall be at Mumbai. **This subcontract is governed as per the Laws of India and the jurisdiction of only Mumbai Courts shall apply.***

3. It can be seen that the venue of arbitration, as mentioned in the aforesaid clause is Mumbai. Moreover, the clause goes on to clarify that “*jurisdiction of only Mumbai Courts shall apply*”. The inference is irresistible that the seat of arbitration in the present case is Mumbai.
4. Learned counsel for the petitioner submits that the entire cause of action has arisen within the jurisdiction of this Court and therefore this Court cannot be said to be denuded of the jurisdiction to entertain the present petition.
5. It is now well-settled law laid down in a catena of judgments including ***BGS SGS SOMA JV vs. NHPC Limited*** (2020) 4 SCC 234 and ***BBR (India) Private Limited v. S.P. Singla Construction Private Limited*** (2023) 1 SCC 693 that the choice of a seat of arbitration is akin to an exclusive jurisdiction clause and that the arbitral proceedings are anchored to the seat of arbitration. Consequently, only the Courts having jurisdiction over the seat of arbitration can entertain the present petition or any other application/s under Part-I of the A&C Act.
6. In view of the above, the present petition is dismissed with liberty to



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the petitioner to file an appropriate petition before the concerned court in Mumbai, Maharashtra.

NOVEMBER 11, 2024/cl

SACHIN DATTA, J

Signature Not Verified

Digitally Signed By:ROHIT
KUMAR PATEL
Signing Date:21.11.2024
13:08:39

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