

Santosh

IN THE HIGH COURT OF JUDICATURE AT BOMBAY  
CIVIL APPELLATE JURISDICTION

CIVIL REVISION APPLICATION NO. 477 OF 2024

Chairman/Managing Director,  
Shri Vasantdada Sahakari Sakhar  
Karkhana Ltd., Sangli

...Applicant

**Versus**

Govind Poy Oxygen Ltd. through  
Shri Maruti Laxman Patil

...Respondent

Mr. Sumit Khaire, a/w Umesh Mankapure, for the Applicant.

CORAM: N. J. JAMADAR, J.

DATED: 6<sup>th</sup> FEBRUARY, 2025

**ORDER:-**

1. Heard the learned Counsel for the applicant.
2. This revision application is directed against an order dated 2<sup>nd</sup> July, 2024 passed by the learned Civil Judge, Junior Division, Kolhapur, on an application (Exhibit-29) filed by the applicant – defendant to reject the plaint purportedly under Order VII Rule 11 of the Code of Civil Procedure, 1908.
3. At the outset, it is necessary to note that the learned Civil Judge construed the said application as one for return of the plaint as the substance of the application was that the Court at Kolhapur had no jurisdiction as in clause 10 of the purchase order it was specified that all the disputes arising

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out of the said transaction be exclusively triable by the Courts at Sangli.

4. The learned Counsel for the applicant submitted that since the application was filed under Order VII Rule 11, the applicant – defendant invoked the revisional jurisdiction. Without delving much into the tenability of the revision application, this Court considers it appropriate to appraise the challenge on the merits of the matter.

5. The respondent instituted the suit for recovery of a sum of Rs.3,63,140/- being the price of the gas cylinders supplied by the plaintiff to the defendant.

6. The defendant appeared and filed an application for rejection of the plaint asserting *inter alia* that the defendant had placed the purchase order with the plaintiff which, *inter alia*, provided for exclusive jurisdiction of the Courts at Sangli. The purchase orders were placed from Sangli. The goods were supplied at Sangli and, therefore, the Court at Kolhapur had no jurisdiction to entertain, try and decide the suit.

7. The respondent – plaintiff, in turn, asserted that the respondent had supplied the goods under the invoices raised at Kolhapur which contained a stipulation, “subject to

Kolhapur jurisdiction”. Thus, as the cause of action arose within the local limits of the jurisdiction of the Court at Kolhapur, the suit was triable before the Court at Kolhapur.

8. By the impugned order, the learned Civil Judge repelled the challenge to the territorial jurisdiction of the Civil Court at Kolhapur observing, *inter alia*, that the invoices clearly stipulate that the dispute would be subject to Kolhapur jurisdiction and the cause of action had also arisen within the local limits of the jurisdiction at the Court at Kolhapur.

9. Mr. Khaire, the learned Counsel for the applicant, would urge that the learned Civil Judge did not properly appreciate the challenge to the jurisdiction. It was submitted that the place from which the offer was made had the jurisdiction to decide the dispute. In the instant case, the purchase orders were placed from Sangli and there was a clear stipulation on top of the conditions overleaf the purchase order that the dispute was, “subject to Sangli jurisdiction” and clause 10 of the said conditions specifically provided that “all the disputes from the said transaction were exclusively triable by the courts at Sangli”.

10. Mr. Khaire placed reliance on a decision of this Court in the case of *Goa Carbonic Industries Pvt. Ltd. Goa, vs. Bharat*

*Pumps and Compressors Ltd.*<sup>1</sup>, wherein it was enunciated that it is settled law that the acceptance turns the offer into a contract and, therefore, it follows that contract is completed not from the place the offer emanates but where it is accepted. Therefore, in that case, since the posting of acceptance was done at Zuarinagar, Goa, the cause of action for filing the suit arose at the place of posting at Zuarinagar.

11. The aforesaid pronouncement does not advance the cause of the submission on behalf of the applicant. On the contrary, it supports the case of the plaintiff that the purchase orders were accepted at Kolhapur.

12. It is true the purchase orders stipulated that the disputes were subject to Sangli jurisdiction. At the same time, the fact remains that the invoices under which the goods were supplied also contained a stipulation that 'the transaction was subject to Kolhapur jurisdiction'. The legal position is well recognized.

13. Where two or more courts have jurisdiction under the Code of Civil Procedure, 1908 to try a suit or proceeding, an agreement between the parties that the dispute shall be tried in any one of such Courts is not contrary to public policy and

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**1** 2004 0 Supreme(Bom) 803.

in no way contravenes Section 28 of the Indian Contract Act, 1872. The parties are thus entitled by an agreement to limit the jurisdiction to one or two Courts. The absence of words like, “alone”, “only”, “exclusive” or “exclusive jurisdiction” in the jurisdiction clause is neither decisive nor does it make a significant difference in deciding the jurisdiction of the Court.

14. In the case at hand, as the purchase orders were accepted at Kolhapur and the goods were supplied from Kolhapur under the invoices raised at Kolhapur, which also contain a jurisdictional clause, and the contract cannot be said to have been concluded at Sangli, even if the jurisdiction clause in the purchase order is construed rather liberally, it cannot be said that the Courts at Sangli have exclusive jurisdiction. The learned Civil Judge, thus, committed no error in declining to return the plaint.

15. The application, thus, stands rejected.

[N. J. JAMADAR, J.]