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

CR-14369-2018

Date of decision: 11.02.2026

M/S HARMILAP HOTELS PVT. LTD.

...Petitioner(s)

VERSUS

M/S BLUE AGAVE CONCEPTS PVT. LTD. AND ANOTHER

...Respondent(s)

CORAM: HON'BLE MR. JUSTICE JASGURPREET SINGH PURI

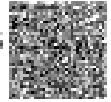
Present:- Mr. Kanwar Abhay Singh, Advocate
for the petitioner.

Mr. Vipul Dharmani, Advocate
for respondent No.1.

JASGURPREET SINGH PURI, J. (Oral)

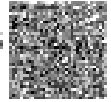
1. The present Civil Revision Petition has been filed under Article 227 of the Constitution of India for setting aside the impugned order dated 12.11.2018 (Annexure P-1) passed by the learned Additional District Judge, Panipat, in Arbitration RBT No.23 of 2018, whereby the objections filed by the petitioner under Section 34 of the Arbitration and Conciliation Act, 1996 (hereinafter referred to as 'the Act') were returned for want of jurisdiction.

2. Learned counsel for the petitioner submitted that the petitioner filed objections under Section 34 of the Act challenging the award dated 29.11.2017, which has been passed against it. He further submitted that the aforesaid objections were filed on 16.12.2017 and upon filing the same, the respondents moved an application before the learned Court at Panipat raising



the issue of territorial jurisdiction in view of the order dated 28.11.2014 (Annexure P-3) passed by a Coordinate Bench of this Court under Section 11 of the Act, whereby it was observed that although the parties had agreed to have the Arbitrator appointed at Panipat but in view of the non-availability of retired High Court Judges at Panipat, an Arbitrator was appointed at Chandigarh. He further submitted that there is a specific arbitration clause in the agreement attached with the present petition as Annexure P-2, which expressly provides that the seat of arbitration shall be at Panipat and the said agreement was mutually entered into between the parties and is binding upon them. He further submitted that by way of the aforesaid impugned order, the application filed the respondents was allowed and the objection petition under Section 34 of the Act was returned to the petitioner so that the same can be filed before the Courts at Chandigarh because as per the order passed by a Coordinate Bench of this Court under Section 11 of the Act vide Annexure P-3, the Arbitrator was appointed at Chandigarh. He also submitted that there is no doubt that the learned Arbitrator passed the award at Chandigarh but that at the most can be construed to be the venue and not the seat of arbitration and primacy has to be given to the mutual agreement entered into between the parties since party autonomy and the express agreement between the parties with regard to the seat of arbitration has to be given priority unless there is an express agreement to the contrary later on, which is absent in the present case.

3. At this stage, learned counsel for respondent No.1 submitted that the arbitral award was passed in the year 2017 and more than eight years have elapsed that the entire process has been stalled. He further submitted that



considering the fact that even the execution in favour of the respondents could not be proceeded with because of the interim order passed by a Coordinate Bench of this Court on 09.01.2019, he has instructions to state that respondent No.1 has no objection in case objections under Section 34 of the Act are heard by the learned Court at Panipat instead of Chandigarh and also has no objection in case the aforesaid impugned order (Annexure P-1) is set aside. He also submitted that directions may be issued to the learned Court at Panipat to decide the objections under Section 34 of the Act within a specified time frame.

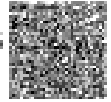
4. I have heard the learned counsels for the parties.

5. The issue involved in the present case is pertaining to jurisdiction for filing the objections under Section 34 of the Act. A perusal of the agreement (Annexure P-2) would clearly show that the seat of arbitration, as agreed between the parties, is Panipat. Admittedly, there is no further express agreement to the contrary between the parties for changing the seat of arbitration. However, at the time when a Coordinate Bench of this Court appointed an Arbitrator under Section 11 of the Act vide Annexure P-3, it was observed that although the parties had agreed to have the Arbitrator appointed at Panipat but in view of the non-availability of retired High Court Judges at Panipat, an Arbitrator was appointed at Chandigarh. The aforesaid order dated 28.11.2014 (Annexure P-3) is reproduced as under:-

“Petitioner has prayed for appointment of an Arbitrator in terms of the agreement Annexure P-1.

Learned counsel for the respondent states that he has no objection to the appointment of the Arbitrator.

In the event of the matter being referred to the Arbitrator, it is agreed between the parties to have the Arbitrator appointed at Panipat but keeping in view the fact



that retired High Court Judges are not available at Panipat, I deem it appropriate to appoint an Arbitrator at Chandigarh. Accordingly, I appoint Justice N.C.Jain, former Chief Justice of Gauhati High Court, as Arbitrator to adjudicate upon the disputes between the parties. The Arbitrator shall fix his own terms and conditions. However, the respondents would be at liberty to file their counter claim before the Arbitrator.

With these observations, the petition stands disposed of.”

6. The arbitration clause in the agreement (Annexure P-2), which is binding upon the parties, is also reproduced as under:-

ARBITRATION:-

“In case of any disputes, relating to this license deed, it shall be referring dispute to Arbitrator/s under the provision of the Arbitration and Conciliation Act, 1996 and seat of Arbitration shall be at Panipat and the decision of the Arbitrator/s shall not be challenged in any court of law.”

7. A perusal of the aforesaid clause would show that the seat of arbitration is exclusively at Panipat, as agreed between the parties and has not been changed at all later on. Under the provisions of the Arbitration and Conciliation Act, 1996, party autonomy and the agreement between the parties have to be given utmost priority. Reference in this regard can be made to the provisions of Section 20 of the Act, which is reproduced as under:-

“20. Place of arbitration.—*(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 anyplace it considers appropriate for consultation among its members, for hearing witnesses,



experts or the parties, or for inspection of documents, goods or other property.”

8. A perusal of Section 20(1) of the Act would show that it is the agreement between the parties which is to be given preference regarding the place of arbitration, where it provides that the parties are free to agree on the place of arbitration. Admittedly, the seat of arbitration has been fixed at Panipat.

9. Even otherwise also, learned counsel for respondent No.1 has stated that respondent No.1 has no objection in case the impugned order is set aside and the matter is restored to the Court at Panipat, where the objections under Section 34 of the Act were earlier filed.

10. In view of the above, the present Civil Revision Petition is allowed. The impugned order dated 12.11.2018 (Annexure P-1) passed by the learned Additional District Judge, Panipat, is hereby set aside. The objections filed by the petitioner under Section 34 of the Act before the learned Court at Panipat shall stand restored. Keeping in view the fact that the objections were initially filed on 16.12.2017, which is more than eight years ago, the learned Court hearing the objections under Section 34 of the Act shall hear and decide the same as expeditiously as possible and strictly in accordance with law.

11.02.2026
Chetan Thakur

(JASGURPREET SINGH PURI)
JUDGE

Whether speaking/reasoned	:	Yes/No
Whether reportable	:	Yes/No