Case Citation: (2026) ibclaw.in 6400 HC

IN THE HIGH COURT OF MADHYA PRADESH AT JABALPUR

BEFORE

HON'BLE SHRI JUSTICE VIVEK AGARWAL

ON THE 15th OF OCTOBER, 2026

ARBITRATION CASE No. 80 of 2026

CNR No.: MPHC010373722026

KHAJURAHO GREENS LLP KHAJURAHO GREENS LLP,

Versus

M/S BESTCO CABLES PVT LTD., AND ANR

Appearance:

Shri Rahul Diwaker - Advocate for the petitioner.

Shri Yuvraj Vyas - Advocate for the respondent.

ORDER

This arbitration case is filed seeking appointment of an arbitrator in terms of the agreement and the supplementary agreement, which was entered into between the parties forming a limited liability partnership firm.

2. It is pointed out by Shri Rahul Diwaker, learned counsel for the petitioner that initially an agreement was entered into between Shri Chander Shekhar Chaurasia and Shri Lav Chaurasia at Chhatarpur for establishment of a limited liability partnership firm. Thereafter, this agreement was supplemented and a supplementary LLP agreement was executed including other persons, namely, Shri Gaurav Jain and Shri Rasmeet Singh Malhotra as partners in the LLP firm. It is pointed out this LLP agreement in clause 13 sub clause (4) makes a mention of resolution of disputes. It is pointed out that all disputes between the partners or between the partner and the LLP

arising out of the LLP agreement which cannot be resolved in terms of this agreement shall be referred for arbitration as per the provisions of the Arbitration and Conciliation Act, 1996 for the time being in force or any other statutory modification or re-enactment thereof.

3. The contention of the respondent is that they had filed an application before the Commercial Court at Noida under Section 9 of the Arbitration and Conciliation Act, 1996. That application was contested before the Allahabad High Court at Allahabad.

4. It is also submitted that the matter was also taken up to the Supreme Court where the Hon'ble Supreme Curt in **SLP (C) No.21642/2026 (KHAJURAHO GREENS LLP & ORS. Vs. BESTCO CABLES PRIVATE LIMITED & ANR.)** had asked the Allahabad High Court to decide the jurisdiction and, therefore, Shri Yuvraj Vyas submits that since the question of jurisdiction as per the directions of the Supreme Court dated 15th July, 2026 is to be decided by the Hon'ble Allahabad High Court but the Allahabad High Court has not decided the *lis,* therefore, the matter needs to be heard and decided by the Allahabad High Court alone and no other High Court.

5. After hearing the learned counsel for the parties and going through the record so also the judgment of the Supreme Court in **BGS SGS SOMA JV Vs. NHPC LIMITED, (2020) 4 SCC 234** and also the judgment of this High Court in **Cobra CIPL Vs. Chief Project Manager dated 04.02.2019 in A.C. No.107/2017**, has dealt with the issue as to the silence of the place in the agreement then how the place of arbitration shall be decided.

6. When these aspects are taken into consideration, then since the agreement was executed at Bhopal and except for stray properties within the jurisdiction of Noida for preservation of which application under Section 9 was filed, most of the subject matter of dispute is within the territorial jurisdiction of the High Court of Madhya Pradesh, I am of the opinion that the Coordinate Bench of this High Court in the case of **Cobra CIPL** (supra) in paragraphs 13 and 14 has noted as under:-

> "13. The Constitution Bench in the case of **Bharat Aluminium Co. Vs. Kaiser Aluminium Technical Services INC. (2012) 9 SCC 552** (in short 'Balco') after considering the definition of "Court" mentioned in Section 2(e) and "Place of Arbitration" mentioned in Section 20 opined that 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 Court where arbitration takes place. It was further held that as per Section 20, where the place of arbitration is in India, the parties are free to agree to any "place" or "seat" within India. In absence thereto, Section 20(2) authorizes the Tribunal to determine the place/seat of such arbitration. The fixation of most convenient "Venue" is taken care of by Section 20 (3). Following the dicta of **Balco** (supra), in **Indus Mobile Distribution Pvt. Ltd. Vs. Datawind innovations Pvt. Ltd. & Ors, (2017) 7 SCC 678**, it was poignantly held that seat of arbitration is analogous to an exclusive jurisdiction clause. "The seat of arbitration is intended to

be its center of gravity." The seat of arbitration is treated to be the juridical seat, in the line with international practice. It was observed that the arbitral hearings may take place at a location other than the seat of arbitration. Thus, distinction between "seat" and "venue" was clearly recognized. It was further made clear that Section 20(1) and 20 (2) where the word "place" is used, refers to "juridical seat" whereas Section 20(3) the word "place" is equivalent to "venue". If the definition of "venue" mentioned hereinabove is tested on the anvil of principles laid down in Balco and **Indus Mobile** (supra), it will be clear that "venue" and "seat" cannot be treated as synonymous. The definition in Clause (k) makes it clear that a "venue" is initially fixed to be at the place from where letter of acceptance was issued by leaving its further fixation/change as per discretion of the purchaser. The "venue" can be altered and fixed as per the convenience of the parties in terms of enabling clause in the agreement. This can be done for various reasons/purposes such as recording of evidence, facilitating the hearing at a particular place etc. Thus, "venue" cannot be read as a "seat" in the present case.

14. In the instant case, the parties have not pointed out any clause of agreement which prescribes the "seat" of arbitration. Hence, as per the judgment of **Balco** (supra), it can be safely concluded that since the act intends to give jurisdiction to two Courts which includes the Court which would have jurisdiction

based upon cause of action, this Court will have jurisdiction because accept issuance of letter of acceptance, other necessary events which gives cause of action have taken place within the territorial jurisdiction of this Court. So far judgment of Delhi High Court in the case of **Mr. Raman Deep Singh Taneja Vs. Crown Realtech Pvt. Ltd.2017 SCC online Delhi High Court 11966** is concerned; it is relevant to note that the Delhi High Court treated the "venue" as "seat" by referring the judgment of **Indus Mobile** (supra) whereas in **Indus Mobile** (supra), it was made clear that there is a clear distinction between "seat" and "venue". In the context "venue" is used in the present agreement, I am unable to hold that it can be equated with "seat" or can be the basis for determining the question of jurisdiction of this Court. I find support in my view from Para 152 of judgment of **Enercon (India) Ltd. & Ors. Vs. Enercon GMBH & Another, (2014) 5 SCC 1** wherein it was held as under:-

"152. ... ... in view of the above, we are of the considered opinion that the objection raised by the appellants to the continuance of the parallel proceedings in England is not wholly without jurisdiction. The only single factor which prompted respondent No.1 to pursue the action in England was the "venue" of arbitration has been fixed in London. The considerations for designating a convenient "venue" for arbitration cannot be understood as conferring concurrent jurisdiction on the English

Courts over the arbitration proceedings or disputes in general. Keeping in view, the aforesaid, we are inclined to restore the anti suit injunction granted by the Daman Trial Court".

(Emphasis supplied)"

7. This view finds support from the judgment of the Hon'ble Supreme Court in the case of **Arif Azim Company Ltd. Vs. Micromax Informatics FZE, (2025) 9 SCC 750**.

8. The Madhya Pradesh High Court has the jurisdiction to decide on to the appointment of arbitrator. My view is further fortified because if arbitrator was to be appointed by Allahabad High Court it would have exercised its authority and would have appointed the arbitrator while passing its order dated 06th October, 2026. Therefore, when the Allahabad High Court has not appointed any Arbitrator, then arbitrator can be appointed.

9. Shri I.B. Shastri, practicing advocate for over 45 years is appointed as an arbitrator. He is resident of E-1/157, Arera Colony, Bhopal. The parties are requested to submit their claim and counter claim etc. For their first appearance, the date is fixed as **04th November, 2026 before the said arbitrator at 5.30 p.m.**

10. The arbitrator is requested to proceed with the matter. He shall be entitled to his professional fee in terms of the schedule of fee attached to the Arbitration and Conciliation Act which will be borne in equal proportion by both the parties. The parties are requested to deposit at least 20% of their contribution as first instalment on the date of their first appearance and

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thereafter the arbitrator and the parties can mutually decide further schedule of payment of fees.

(VIVEK AGARWAL)
JUDGE

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