



2026:DHC:8714-DB



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* IN THE HIGH COURT OF DELHI AT NEW DELHI

Date of decision: 29th September, 2026Uploaded on: 5th October, 2026

CNR No. DLHC010451282026

+ FAO (COMM) 277/2026

AKMY BUILDCON PRIVATE LIMITED

.....Appellant

Through: Mr. Shakeel Sarwar Wani & Mr.
Himanshu Garg, Advocates.

versus

SARASVATHI CORRUGATED INDIA
PRIVATE LIMITED

.....Respondent

Through: None.

CORAM:**JUSTICE PRATHIBA M. SINGH****JUSTICE DINESH BHATT****Prathiba M. Singh, J. (Oral)**

1. This hearing has been done through hybrid mode.
2. The present appeal has been filed by the Appellant under Section 13 of the Commercial Courts Act, 2015 read with Order XLIII Rule1(a) of the Code of Civil Procedure, 1908, *inter alia*, assailing the impugned order dated 2nd May, 2026 passed by the Ld. District Judge(Commercial)-03, South, Saket Courts, New Delhi in **CS (COMM) 430/2023**.
3. *Vide* the impugned order, the suit of the Appellant has been rejected on the ground that the Commercial Court lacks territorial jurisdiction.
4. The purchase order, being **Purchase Order No. PO/2018-19/2006** dated 26th October, 2018 (*hereinafter*, 'purchase order'), which was placed by the Respondent upon the Appellant, contained an exclusive jurisdiction clause, which is set out below:-

Important Notice

"1.Goods will not be received without delivery



documentation.

2. Please mention Purchase Order No. on the Invoice Copy.

3. Disposal Invoice must be sent to Sarasvathi Corrugated (India) Pvt. Ltd.

4. The material, design & quality shall be as per the approved sample/ design by Sarasvathi Corrugated (India) Pvt. Ltd.

5. Please refer to Terms & Conditions enclosed.

6. All Consignments should accompany with the copy of P.O.

7. Material will not be accepted without the copy of COA.

8. All disputes are subject to Derabassi Punjab Jurisdiction only.”

5. The submission of Id. Counsel for the Appellant is that the Appellant’s registered office is in Delhi, and part payment was also received in Delhi. Hence part of the cause of action has arisen in Delhi.

6. On 21st September, 2026, the Court had given a *prima facie* opinion in the following terms:-

“10. In the *prima facie* opinion of this Court, the fact that the registered office of the Appellant was in Delhi and that the part payment was also received in Delhi may not confer jurisdiction, especially in the light of exclusive jurisdiction clause in the purchase order.”

7. In view of the same, the Id. Counsel for the Appellant had requested for an adjournment to place some judgments.

8. Today, the Id. Counsel for Appellant has made submissions. However, the Court is not satisfied that the Courts in Delhi would have jurisdiction in this matter.



9. Almost 35 years ago, in a seminal decision **A.B.C. Laminart (P) Ltd. v. A.P. Agencies, (1989) 2 SCC 163**, while dealing with jurisdiction clauses of this nature the Supreme Court opined as under:

“20. When the court has to decide the question of jurisdiction pursuant to an ouster clause it is necessary to construe the oustering expression or clause properly. Often the stipulation is that the contract shall be deemed to have been made at a particular place. This would provide the connecting factor for jurisdiction to the courts of that place in the matter of any dispute on or arising out of that contract. It would not, however, ipso facto take away jurisdiction of other courts. Thus, in Salem Chemical Industries v. Bird & Co. [AIR 1979 Mad 16 : (1978) 2 Mad LJ 189] where the terms and conditions attached to the quotation contained an arbitration clause provided that: “any order placed against this quotation shall be deemed to be a contract made in Calcutta and any dispute arising therefrom shall be settled by an arbitrator to be jointly appointed by us”, it was held that it merely fixed the situs of the contract at Calcutta and it did not mean to confer an exclusive jurisdiction on the court at Calcutta, and when a part of the cause of action had arisen at Salem, the court there had also jurisdiction to entertain the suit under Section 20(c) of the Code of Civil Procedure.

21. From the foregoing decisions it can be reasonably deduced that where such an ouster clause occurs, it is pertinent to see whether there is ouster of jurisdiction of other courts. When the clause is clear, unambiguous and specific accepted notions of contract would bind the parties and unless the absence of ad idem can be shown, the other courts should avoid exercising jurisdiction. As regards construction of the ouster clause when words like “alone”, “only”, “exclusive” and the like have been used there may be no difficulty. Even without such



words in appropriate cases the maxim “expressio unius est exclusio alterius” — expression of one is the exclusion of another — may be applied. What is an appropriate case shall depend on the facts of the case. In such a case mention of one thing may imply exclusion of another. When certain jurisdiction is specified in a contract an intention to exclude all others from its operation may in such cases be inferred. It has therefore to be properly construed.”

10. Again in **Rajasthan SEB v. Universal Petrol Chemicals Ltd., (2009) 3 SCC 107**, the Supreme Court was considering the ouster of jurisdiction clause. In the said case, the jurisdiction clause read as under:

“5. Before we proceed further it would be appropriate for us to extract herein the relevant clauses with respect to adjudication of the disputes, if any, which were common in both the agreements. Clause 30 of the general conditions of the contract inter alia stipulates as under:

“30. ... The contract shall for all purposes be construed according to the laws of India and subject to jurisdiction only at Jaipur in Rajasthan courts only....”

The Supreme court then followed **A.B.C. Laminart (P) Ltd. v. A.P. Agencies, (1989) 2 SCC 163** and held as under:

“27. The aforesaid legal proposition settled by this Court in respect of territorial jurisdiction and applicability of Section 20 of the Code to the Arbitration Act is clear, unambiguous and explicit. The said position is binding on both the parties who were contesting the present proceeding. Both the parties with their open eyes entered into the aforesaid purchase order and agreements thereon which categorically provide that all disputes arising between the parties out of the agreements would be adjudicated upon and



decided through the process of arbitration and that no court other than the court at Jaipur shall have jurisdiction to entertain or try the same. In both the agreements in Clause 30 of the general conditions of the contract it was specifically mentioned that the contract shall for all purposes be construed according to the laws of India and subject to jurisdiction only at Jaipur in Rajasthan courts only and in addition in one of the purchase order the expression used was that the court at Jaipur only would have jurisdiction to entertain or try the same.”

11. Similarly in ***Shree Baidyanath Ayurved Bhawan (P) Ltd. v. Praveen Bhatia, (2009) 8 SCC 779***, the Supreme Court observed as under:

“13. The parties hereto are governed by the terms of the contract. If, in terms of the provisions of the contract, they by agreement conferred jurisdiction on one of the courts which would have otherwise jurisdiction to deal with the matter, the same should ordinarily be given effect to. In A.B.C. Laminart (P) Ltd. v. A.P. Agencies [(1989) 2 SCC 163] , this Court held that (SCC p. 175, paras 20-21) when the court has to decide the question of jurisdiction pursuant to an ouster clause, it is necessary to construe the same properly. In such an event, it was opined that other courts should avoid exercise of jurisdiction. [See also Hanil Era Textiles Ltd. v. Puromatic Filters (P) Ltd. [(2004) 4 SCC 671] , SCC p. 676, para 8.]”

12. Even in the case of those contracts where words such as ‘only’, exclusive, etc. are not used, the intention is to be deciphered from the contract. In ***Swastik Gases (P) Ltd. v. Indian Oil Corpn. Ltd., (2013) 9 SCC 32***, it was held as under:

“32. For answer to the above question, we have to see the effect of the jurisdiction clause in the agreement



which provides that the agreement shall be subject to jurisdiction of the courts at Kolkata. It is a fact that whilst providing for jurisdiction clause in the agreement the words like “alone”, “only”, “exclusive” or “exclusive jurisdiction” have not been used but this, in our view, is not decisive and does not make any material difference. The intention of the parties—by having Clause 18 in the agreement—is clear and unambiguous that the courts at Kolkata shall have jurisdiction which means that the courts at Kolkata alone shall have jurisdiction. It is so because for construction of jurisdiction clause, like Clause 18 in the agreement, the maxim expressio unius est exclusio alterius comes into play as there is nothing to indicate to the contrary. This legal maxim means that expression of one is the exclusion of another. By making a provision that the agreement is subject to the jurisdiction of the courts at Kolkata, the parties have impliedly excluded the jurisdiction of other courts. Where the contract specifies the jurisdiction of the courts at a particular place and such courts have jurisdiction to deal with the matter, we think that an inference may be drawn that parties intended to exclude all other courts. A clause like this is not hit by Section 23 of the Contract Act at all. Such clause is neither forbidden by law nor it is against the public policy. It does not offend Section 28 of the Contract Act in any manner.”

13. It becomes clear from a reading of the above decisions that the exclusive jurisdiction clause in a contract especially when terms such as ‘exclusive’ ‘only’ etc., are used, has to be honoured and given effect to.

14. In the present case, the purchase order being clear as to the intention of the parties with the language **All disputes are subject to Derabassi Punjab Jurisdiction only**, the dispute would have to be raised before the competent



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Court in Derabassi, Punjab.

15. Accordingly, the plaint is returned for presentation before the appropriate Court of competent jurisdiction in the State of Punjab. The Appellant would be free to avail of the benefit under Section 14 of the Limitation Act, 1963.

16. The appeal is disposed of with these terms along with pending applications, if any.

PRATHIBA M. SINGH
JUDGE

DINESH BHATT
JUDGE

SEPTEMBER 29, 2026/MR/msh