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The **Supreme Court** in the case of **J&K Economic Reconstruction Agency vs Rash Builders India [2026 INSC 368] dated April 15, 2026**, has held that once the seat of arbitration is expressly designated by agreement of the parties, that seat becomes the juridical home of arbitration and operates akin to an exclusive jurisdiction clause. Consequently, only the courts of the seat have supervisory jurisdiction over arbitral proceedings and challenges to the award. The venue of hearings or the place where the award is rendered does not alter the seat and does not confer jurisdiction on courts of that place, unless the seat is expressly changed by agreement of the parties.

The Court observed that the distinction between the seat and venue of arbitration is firmly embedded in arbitral jurisprudence, and that the core issue was whether conduct of proceedings and rendering of the award at New Delhi could confer jurisdiction on Delhi courts despite the express designation of Srinagar as the seat.

The Court reiterated that the seat of arbitration is the juridical home or legal place of arbitration; it determines the curial law governing the arbitral process and identifies the court exercising supervisory jurisdiction. Once the seat is designated by agreement of the parties, courts of that place alone have exclusive jurisdiction over all proceedings arising out of the arbitration, including challenge to the award.

The Court also observed that the venue is only a geographical location chosen for convenience for hearings, examination of witnesses, or meetings of the tribunal. It does not confer jurisdiction and does not by itself alter or determine the seat. Mere conduct of arbitral proceedings or rendering of the award at a place different from the designated seat does not confer jurisdiction on courts of that place.

Accordingly, the Court noted that the order dated March 26, 2016 expressly recorded, on agreement of the parties, that the seat of arbitration shall be Srinagar and the venue shall be New Delhi. The surrounding circumstances also reinforced Srinagar as the seat, since the contracts were executed in Jammu & Kashmir, the works were to be carried out there, the arbitration was initiated there, and the High Court at Srinagar had appointed the arbitrator.