

Application No.3554 of 2019**S.VAIDYANATHAN,J.**

The present Application has been filed *inter alia* under Clause 12 of Letters Patent seeking 'Leave to Sue' the Defendants/Respondents before this Court.

2. A perusal of the proposed plaint that has been placed before this Court reveals that the entity shown as 'Plaintiffs' in the proposed plaint are the 'Applicants' herein and the entity shown as 'Defendants' in the proposed plaint are the 'Respondents', respectively, in the instant Leave to Sue Application.

3. For the sake of convenience, parties in the instant Application are referred to by their respective ranks in the proposed plaint.

4. According to the Plaintiffs, the 1st Plaintiff is the leader in the field of electronic components since 1996 in Singapore and it has set up sister concerns in Taiwan, United States of America, Austria, China, South Korea, Philippines, Thailand and India over the last 22 years. The 1st Plaintiff established the 2nd Plaintiff in Chennai in the year 2009 for conducting trading business in India. Since then, the 2nd Plaintiff with the help of the 1st Plaintiff has developed a network of vendors, who cater to the Plaintiff's orders and customers to whom the Plaintiffs cater. The primary objective of the 2nd Plaintiff was to cater to the list of clientele, which the 1st Plaintiff had built over decades of conducting business in the relevant market.

5. It is further stated by the Plaintiffs that the 1st Plaintiff, through a Letter of Appointment dated 13.12.2013, employed the 1st Defendant to provide employment services as a Division Manager for India Office (Chennai) in the 2nd Defendant Company in India. The case of the Plaintiffs is that the 1st Defendant has been working on his personal laptop (apart from the laptop provided to the 1st Defendant by the Plaintiffs for official purpose) during office hours, sitting in the office of the 2nd Defendant, where he was employed and has been using the laptop for procuring orders for his competing business, i.e. the 2nd Defendant and to run the day-to-day business of the 2nd Defendant. He further submitted that the 1st Defendant has constantly been absenting himself during the course of his employment and that he has been avoiding emails and calls from vendors and customers of the Plaintiffs.

6. Learned counsel for the Plaintiffs contended that the 1st Defendant has been re-routing bigger orders placed on the 2nd Plaintiff to the 2nd Defendant and has been retaining only smaller orders for supply through the 2nd Plaintiff. He submitted that substantial part of the cause of action arose within the jurisdiction of this Court.

7. Having perused the proposed plaint and the Affidavit filed in support of the instant Leave to Sue Application and in the light of the submissions made by the learned counsel for the Plaintiffs, this Court is convinced that cause of action has arisen for invoking the territorial jurisdiction

of this Court and therefore, the Plaintiffs are entitled to Leave to Sue as prayed for.

In the result, this Application is ordered as prayed for.

30.04.2019

Note to Registry:

Issue copy of this order today (30.04.2019)
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