



A.No.4097 of 2023
in
C.S.(Comm.Div.).No.243 of 2022

P.T. ASHA, J.

The above application is filed for revoking the leave granted by this Court in Application No.742 of 2020 in C.S.(Comm.Div.).No.243 of 2022 on 20.02.2020.

2. The above application has been moved by the 1st defendant. In the affidavit filed in support of the above application, the 1st defendant/applicant had contended that the registered office of the 1st defendant is situate outside the jurisdiction of this Court and no part of the cause of action has arisen within the jurisdiction of this Court. It is also their contention that the entire cause of action has arisen outside the jurisdiction of this Court and the plaint does not disclose as to how and where the cause of action has arisen.



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3. It is their contention that the suit has been over-valued where the plaintiff /1st respondent has sought for recovery of money of a sum of Rs.19,00,458/- and damages of Rs.2,00,00,000/- which is 10 times over and above the main relief. It is also their contention that this claim has been made only with a view to bring the the suit within the jurisdiction of this Court and also on account of the fact that it is an ad-valorem Court fee that is applicable to the High Court exercising original jurisdiction.

4. The 1st respondent/plaintiff has filed a counter in which it has been stated that no doubt the applicant is carrying on business outside the jurisdiction of this Court but however the work order was released from the office of the 1st respondent/plaintiff which is situate within the jurisdiction of this Court. The negotiations had also taken place within the jurisdiction of this Court and that apart the work orders have specifically conferred jurisdiction on the Court at Chennai and having so agreed the applicant/1st defendant



cannot now plead otherwise.

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5. With reference to the claim of Rs.2,00,00,000/- under the head of damages, it is the contention of the plaintiff/1st respondent that it is not for the first time that this claim has been made. On the contrary, it has been made even in the legal notice dated 03.09.2019. That apart, the persons who had taken possession of the apartments having totally dissatisfied with the work done by the applicant/1st defendant and the 2nd respondent herein, as a result of which the 1st respondent/plaintiff had received multiple complaints which have in effect eroded the reputation of the 1st respondent/plaintiff and therefore the claim of Rs.2,00,00,000/-. The 1st respondent/plaintiff would submit that the application is totally misconceived.

6. Mr.S.S.Rajesh, the learned counsel appearing on behalf of the applicant/1st defendant contended that a mere perusal of the plaint would show that the plaintiff/1st respondent has not pleaded in so many words as to how this Court gets jurisdiction to try the



suit particularly when the 1st defendant and the 2nd defendant are carrying on their business outside the jurisdiction of this Court and admittedly they have no office within the jurisdiction of this Court. That apart, the project undertaken by them for and on behalf of the 1st respondent/plaintiff is also outside the jurisdiction of this Court. Therefore, without there being any cause of action having arisen within the jurisdiction of this Court, this Court is called upon to grant leave.

7. Mr.S.Satish, learned counsel appearing on behalf of the 2nd respondent who has neither taken out a similar application nor an application for a summary judgment would contend that the claim of Rs.2,00,00,000/-, under the head of damages has been fraudulently made with the intention of bringing the suit within the jurisdiction of this Court and the same being an issue with reference to the Court fees. This Court could take up the above issues first.



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8. Mr. Hari Radhakrishnan, learned counsel appearing on behalf of the 1st respondent/plaintiff would submit that in para. Nos.21 and 22 of the plaint, the plaintiff has set out in detail as to how the jurisdiction of this Court has been invoked. He would also draw the attention of the Court to the work order which has been filed as document nos.4 and 5. A mere perusal of the same would show that work order has been issued at the office of the plaintiff/ 1st respondent at T Nagar, Chennai which falls within the jurisdiction of this Court. That apart, under clause 9 of the terms and conditions of the work order, it has been clearly stated that the jurisdiction for the work order will be the competent Court at Chennai, Tamil Nadu. Therefore, he would submit that the objection to the jurisdiction of this Court fails in the light of the above terms of the work orders and on account of the fact that the work orders have been issued within the jurisdiction of this Court. As regards the challenge to the 2nd relief sought for in the plaint, namely, damages of the sum of Rs.2.00,00,000/-, the learned counsel would submit that this is a matter which can be decided at



the time of trial and it is for the plaintiff to prove the same and that cannot be a ground for revoking the leave.

9. He would rely upon the judgment of the Bombay High Court reported in *AIR 1954 Bom 145 – Bombay Steam Navigation Co. Ltd. Vs. Union of India* which was a case where the offer was made at Bombay to the defendant who was at Belgaum, through the plaintiff's letter seeking transport of certain logs of teak wood from the Kanara Forests at Marmagoa and from there to Karachi. The plaintiff's offer was accepted at Belgaum. A defense was taken that the Courts at Bombay did not have the jurisdiction since the acceptance was at Belgaum and all the other terms of the contract had to be fulfilled outside the territory of Bombay. The Court relying upon the earlier judgement of the Calcutta High Court reported in *49 Cal W.N. page 123(K) – Dhanmal Marwari Vs. Jankidas Baijnath* held that a part cause of action arises within the jurisdiction of the Court where the offer is



made though it may have been concluded elsewhere. The Court upheld the filing of the suit at Bombay and approved the leave granted.

10. He would rely on the other judgements to once again put across that where a part of cause of action has arisen within the jurisdiction of this Court, the grant of leave cannot be questioned.

11. Heard the counsels on either side.

12. Admittedly, the office of the plaintiff/1st respondent is situate at Chennai within the jurisdiction of this Court and the negotiations between the parties had taken place within the jurisdiction of the Court which is evidenced from a perusal of the work order. The reference given in the work order dated 27.02.2018 would clearly show that negotiations were held at the plaintiff's office on 03.02.2018. The following has been stated



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"Your offer received thru mail on 24.01.2018 &

Subsequent negotiations at our office on 03.02.2018."

13. That apart clause 9 of the terms and conditions of this work order stipulates that it is the Court at Chennai which would have jurisdiction for the work order and the same has been accepted and counter-signed by the defendant. The question with reference to the relief for damages is one that has to be submitted for evidence and if the plaintiff is able to prove the claim he is entitled to the amounts. Therefore, the plea of the applicant and the 2nd defendant that the leave granted has to be set aside and the parties have to be sent to the jurisdictional Court as the suit has been unnaturally overvalued by adding the relief of damages of a sum of Rs.2,00,00,000/- cannot be countenanced. However, it is well open to the parties to raise the issue of the suit being overvalued at the time of argument.



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14. Therefore, the application is dismissed with a direction that while framing issues, the issues regarding Court fees, suit valuation and pecuniary as well as territorial jurisdiction should be framed and decided as a preliminary issue.

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