



A No. 1168 of 2024

IN THE HIGH COURT OF JUDICATURE AT MADRAS

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Reserved on 08.09.2025	Pronounced on 10.10.2025
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CORAM

THE HONOURABLE MR.JUSTICE N.SENTHILKUMAR

**A No. 1168 of 2024 in
C.S(COMM DIV) No. 74 of 2021**

The Oriental Insurance Company Ltd.,
Represented by its Managing Director,
A-25/27, Asaf Ali Road,
New Delhi- 110002

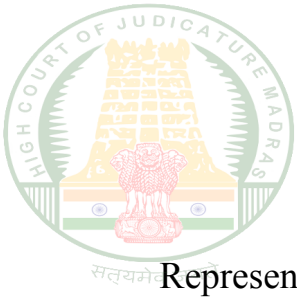
Applicant(s)

Vs

1. M/s Syndicate Bottles Pvt Ltd.,
Represented by its Managing Director,
A-25/27, Asaf Ali Road,
New Delhi- 110002

2.M/s Himaja Poultries Pvt Ltd.,
Represented by its Managing Director
Mrs. S.Divya Door No.100,
S. No.93/1B, Chettipedu,
MevaloorKupam,
Sriperumbudur- 601105

3.M/s Space N Place Promoters Pvt Ltd.



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Represented by its Managing Director

Mr. A.P. Ashok Kumar

S. No. 405, MTH Road, Pattabiram,
Chennai- 600002

4.A P Ashok Kumar

Son of A.S. Pushparathinam

Residing at 45, Guruvappa Chetty Street,
Chintadripet, Chennai- 600002

5.A Manimala

Wife of A.P. Ashok Kumar

Residing at 45, Guruvappa Chetty Street,
Chintadripet, Chennai- 600 002.

6.M/s Allied Insurance Surveyors & Loss
Assessors Pvt Ltd.,

Represented by its Managing Director,
Room No. 5, Building No. 7,
Mittal Industrial Estate, Marol,
Andheri East, Mumbai- 400059

7.Kotak Mahindra Bank Ltd.,

Represented by its Managing Director,
27BKC, C27, G Block, Bandra Kurla
Complex, Bandra (East),
Mumbai- 400051

Respondent(s)

PRAYER

To revoke the leave granted in Appl.No.1996/2021 filed under Order XIV Rule



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8 and Order III Rule 1 of Original Side Rules, read with clause 12 of Letters Patent to the Plaintiffs vide order dated 01.06.2021 in CS.DR.No.13098/2010 that is, C.S. (Comm. Div.) 74/2021.

For Applicant(s): Mr.M.V.Swaroop (for D1)
D2 & D3 – set exparte

For Respondent: Mr.Avinash Wadhwani
for Ms.V.Srimathi

ORDER

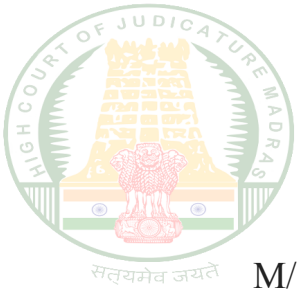
The present application is filed to revoke the leave granted in Appl.No.1996/2021 vide order dated 01.06.2021.

2.The Applicant is the 1st Defendant in the Suit. The suit seeks recovery of a sum of Rs.20,97,06,631/- with interest and costs, claimed jointly and severally by Plaintiffs, arising out of an insurance policy issued by the 1st Defendant and a loan agreement executed by the 3rd Defendant.

3(a).The brief facts for consideration are as follows:

In order to store its stocks, the 1st Plaintiff took on lease the properties owned by the co-plaintiffs:

M/s.Space N Place Promoters Pvt. Ltd., located in Pattabiram,



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M/s.Himaja Poultries Pvt. Ltd., located in Chettipedu, and
Mr.A.P. Ashok Kumar's property in Kakalur.

According to the plaintiffs, the lease agreements were entered into on 03.11.2014. The 3rd Defendant served as the banker for the 1st Plaintiff and extended loan facilities amounting to Rs.15 crores to the 1st plaintiff. Subsequently, the plaintiffs obtained an insurance policy from the 1st Defendant. When a claim was made under the policy, the Applicant/1st Defendant refused to indemnify the losses.

3(b).According to the Applicant/1st Defendant operates out of Porur, which falls outside the territorial jurisdiction of this Court as defined under the Madras High Court (Jurisdictional Limits) Act, 1927 and the Extension Act of 1985. Further, locations of risk under the policy, viz., Pattabiram, Sriperumbudur and Thiruvallur, also fall outside the jurisdiction of this Court. The Plaintiffs obtained leave under Clause 12 of the Letters Patent in Application No.1996/2021 by relying solely on a loan agreement with the 3rd Defendant, without placing reliance on the insurance policy, which forms the substantive basis of the claims made in this suit.

3(c).The order granting leave dated 01.06.2021 notes that the agreement in question falls within the jurisdiction of this Court. However, the Plaintiffs



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omitted to disclose that their actual claim arises from the insurance policy, and not the loan agreement. This is evident from the plaint itself, particularly in paragraphs 32 to 36, which clearly state that the suit was filed in response to the 1st Defendant's repudiation of the insurance claim. The Plaintiffs misrepresented the material facts while obtaining leave by relying heavily on the loan agreement, although the actual cause of action stems from the insurance policy which was neither executed nor performed within the jurisdiction of this Court. Hence this Application.

4(a).The 1st respondent/1st plaintiff filed Counter affidavit stating that the present application seeking revocation of the leave granted by this Court on 01.06.2021 in Application No.1996 of 2021 under Clause 12 of the Letters Patent is wholly misconceived and liable to be dismissed. The core contention of the Applicant that no part of the cause of action arose within the jurisdiction of this Court and that leave was obtained through misrepresentation, is baseless and contrary to the clear averments in the plaint.

4(b).The Plaintiff has specifically pleaded that the insurance policy was availed at the direction of the 3rd Defendant Bank, which was also the beneficiary under the policy. The premium was debited from an account maintained by the 3rd Defendant, and the insurance policies were issued and

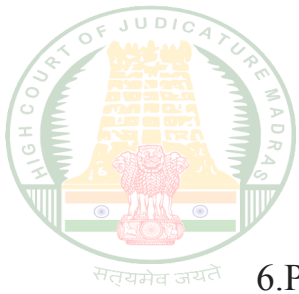


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payments were made in Chennai. These facts clearly establish that a substantial and material part of the cause of action arose within the jurisdiction of this Court. The 1st respondent contended that the the 3rd Defendant Bank, despite having orchestrated the policy, failed to intervene and instead initiated coercive proceedings under the SARFAESI Act. The Plaintiff, though insured, was compelled to settle under pressure. The plaint clearly sets out these facts, and the Applicant/1st Defendant's attempt to underplay them by isolating selective extracts from the pleadings amounts to suppression and misrepresentation.

5.The learned counsel appearing for the Applicant/1st Defendant, who is the 1st defendant in the suit, submitted that the present suit arises from claims made by the plaintiffs in connection with the insurance policy issued by the 1st defendant and the loan agreement executed by the 3rd defendant in favour of the plaintiffs. It was further contended that the plaint does not disclose any averment suggesting that even a part of the cause of action arose within Chennai. The only submission made is that the plaintiffs 1 to 4 are residents of Chennai and that the loans were sanctioned by the 3rd defendant through a sanction letter dated 07.07.2015. It was therefore argued that this Court lacks jurisdiction, as no part of the cause of action is shown to have arisen within Chennai, and accordingly, leave to sue ought not to have been granted.



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6.Per contra, the learned counsel for the 1st respondent/1st plaintiff submitted that a part of the cause of action has indeed arisen within the jurisdiction of this Court. In support of this contention, reference was made to Document No. 20, annexed with the plaint dated 29.06.2015, wherein the 1st Defendant issued the insurance policy in favour of the plaintiffs, showing Chennai as the place of agreement between the parties. It was specifically contended that the Insurance Company's Surveyor visited the plaintiffs' premises and assessed damage to the stocks at various places in and around Chennai. Therefore, substantial part of the cause of action took place within Chennai, justifying the grant of leave to sue. Additionally, the sanction letter dated 07.07.2015 was referred to, which, according to the plaintiffs, confirms that the Applicant/1st defendant had approved the claim amount.

7(a).Learned counsel for the 1st respondent argued that it is a settled legal position is that while granting leave, the plaint and documents filed therewith must be read as a whole, and whether the cause of action arose within the jurisdiction of the court before which suit was instituted is a mixed question of fact and law which must be adjudicated at trial and the same cannot be done through a revocation application. Furthermore, the Applicant/1st Defendant, having failed to file a written statement within the period prescribed under the Commercial Courts Act, appears to be abusing the process of law by filing the



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present application as a delaying tactic.
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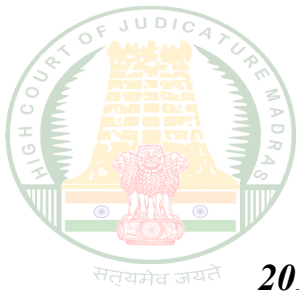
7(b).The repeated and false assertion that leave was obtained solely on the basis of loan agreement is misleading. The record clearly demonstrates that the insurance was taken, issued, and paid in Chennai, and the policy forms a critical part of the cause of action. It is settled law that disputes regarding the place of execution or related facts must be determined at trial and cannot be a ground to revoke the leave already granted. The present application, lacking merit and filed with the sole intent of delaying the suit, deserves to be dismissed.

8.The learned counsel for the Applicant/1st Defendant relied upon the following judgment:

- 1.Captain Tractors Pvt. Ltd., Vs. Ashok Leyland Ltd** reported in **2018 SCC OnLine Mad 13669**
- 2.Premier Distilleries Pvt. Ltd., Vs. Susi Distilleries** reported in **2001(3) CTC 652.**

9.The learned counsel for the 1st respondent/1st plaintiff relied upon the following judgments:

- 1.Indian Mineral & Chemicals Co. and Others Vs. Deutsche Bank** reported in **(2004)12 Supreme Court Cases 376.**
- 2.Premier Distilleries Pvt. Ltd., Vs. Susi Distilleries** reported in **2001(3) CTC 652.**
- 3.A.L.Mathialagan Vs. V.Balasundaram and another** reported in



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2014 (3) CTC 565.

4.P.T.Ummer Koya Vs. Tamil Nadu Chess Association reported in **2005 SCC OnLine Mad 375.**

5.Raghavan Vs. Kalanithi Maran reported in **2013 (5) CTC 801.**

10.Heard the learned counsel for the Applicant/1st Defendant and the learned counsel for the 1st respondent/1st plaintiff.

11.On 01.06.2021, this court has ordered as follows:

“In view of the fact that the Agreement-the subject matter of the suit, has been entered into within the jurisdiction of this Court, this Application is allowed and Leave is granted to institute a Suit before this Court.”

12.The judgments relied upon by the 1st Respondent/1st Plaintiff affirm the legal principle that the question of lack of jurisdiction of the Court to try the suit is a mixed question of facts and law and such an issue could also be decided as a preliminary issue, at the time of the trial, as it would, depend upon the evidence. Therefore, leave to sue can be granted if a part of the cause of action arises within the jurisdiction of this Court, namely, Chennai. All the decisions cited by the 1st respondent/1st plaintiff support this well settled proposition of law. More specifically the judgment of the Hon'ble Division Bench of this



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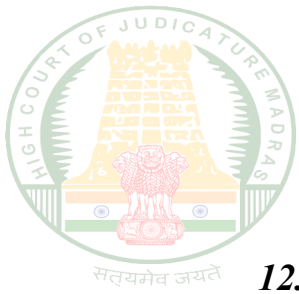
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Court in the case of *A.L.Mathialagan Vs. V.Balasundaram* and another reported in **2014 (3) CTC 565** has clarified the requirements for grant of leave to sue, which is extracted hereunder:

“9. So far as grant of leave is concerned, the basis is Plaintiff pleadings. It is important to see whether the cause of action arose within the ordinary original Civil jurisdiction of this Court. A plaintiff does not end with the prayer paragraph alone. The Suit documents more particularly, the base documents also form part of the Plaintiff pleadings.

10. In this case, in Paragraph (10) of the Plaintiff, it is mentioned that the Suit Promissory Notes were executed and the amounts were paid at Chennai. In Paragraph (12) of the Plaintiff, it has been mentioned that the Suit documents i.e., to say the basic documents viz., Promissory Notes were filed along with the Plaintiff. The Suit documents cannot be read in isolation from the Plaintiff pleadings. They form part of the Plaintiff pleadings. In Paragraph (4) of the Plaintiff, there are pleadings as to the execution of the Promissory Notes and the details of the Promissory Notes are also given. It is mentioned in the Promissory Notes that the witnesses, who have attested the execution of the Promissory Notes are residing at Chennai.

11. The arguments that in as much as the Plaintiff is in U.A.E., it could not have been possible for the Appellant to execute the Promissory Notes at Chennai. It is not that the Plaintiff had settled once for all in U.A.E., forgetting Tamil Nadu. That apart, it is also a matter of evidence to be adduced and to be appreciated as to whether the Promissory Notes as stated could not have been executed at all at Chennai. Thus, on facts, the decision cited is distinguishable.



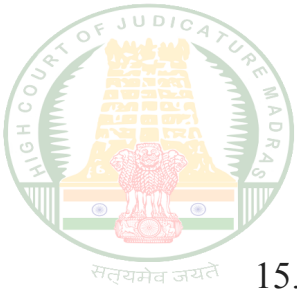
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12. Thus, the learned Single Judge, on being satisfied with the prima facie view, granted the leave to sue and thus, rightly rejected the Appellant's Application to revoke the leave. ”

13. The judgments relied upon by the Applicant/1st defendant is not relevant to the facts and circumstances of the present case.

14. The main contention of the Applicant/1st Defendant is that the location of risk under the insurance policy as per the claims of the plaintiffs are the locations which are outside the jurisdiction of this court and the plaintiffs have not relied upon the insurance policy while obtaining leave of this Court. However, it is clearly stated in the plaint that the plaintiffs had taken the insurance from the 1st defendant in Chennai and that the Surveyor, on instructions of the 1st defendant visited the office of the plaintiffs at Chintadripet, Chennai and assessed the damages to the stocks of the plaintiffs at various places in and Chennai. When there is a specific pleading by the plaintiffs regarding the insurance policy issued by the 1st defendant, it cannot be said that the plaintiffs have not relied upon the insurance policy while obtaining leave. As rightly pointed out by the learned counsel for the respondents/plaintiffs, the question of jurisdiction of this Court is a mixed question of fact and law and the same is to be determined in the trial.



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15. In light of the above discussion, it is evident that a part of the cause of action has arisen within the jurisdiction of this Court. Accordingly, the present application seeking revocation of the leave is hereby dismissed.

10.10.2025

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To

1. M/s Syndicate Bottles Pvt Ltd.,
Represented by its Managing Director,
A-25/27, Asaf Ali Road,
New Delhi- 110002

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Represented by its Managing Director,
Room No. 5, Building No. 7,
Mittal Industrial Estate, Marol,
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27BKC, C27, G Block, Bandra Kurla Complex,
Bandra (East), Mumbai- 400051



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N.SENTHILKUMAR J.

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**Pre-delivery order made in
A No. 1168 of 2024 in
C.S(COMM DIV) No. 74 of 2021**

Dated: 10.10.2025

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