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CRP No. 2668 of 2023



IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 10-12-2025

CORAM

THE HONOURABLE MR.JUSTICE R.SAKTHIVEL

CRP No. 2668 of 2023

Ajith Padival
Proprietor,
Saddles India,
No.257/1-13, Bannerghatta Road,
N.S.Palya, BTM Layout,
Bangaluru 560 076

Petitioner/Defendant

Vs

M/s. Vinyork Leather Works
173, Sidco Industrial Complex,
Sipcot, Ranipet 632 403,
Rep by its Partner,
Si.Ranganathan Harikrishnan

Respondent/Plaintiff

PRAYER

Civil Revision Petition filed under Article 227 of the Constitution of India, 1950 praying to set aside the Order passed in IA.No. 8/2023 in OS.No.76/2021 dated April 27, 2023 passed by the learned Principal District Judge, Vellore, Vellore District and thereby allow the Civil Revision Petition.

For Petitioner: Mr.D.K.Ramesh Kumar,
for Mr.T.N.Rajeshwaran

For Respondent: Mr.P.Senthildhandapani



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ORDER

This Civil Revision has been filed under Article 227 of the Constitution of India, 1950 praying to set aside the dismissal Order passed in Interlocutory Application filed under Order VII Rule 11 of the Code of Civil Procedure, 1908 ('CPC' for short) read with Section 12(A) of the Commercial Courts Act, 2015 in I.A.No.8 of 2023 in OS.No.76/2021 by the Principal District Judge, Vellore, Vellore District (hereinafter referred to as the 'Trial Court'), the Petitioner therein has preferred this Civil Revision Petition.

2. The Revision Petitioner herein is the Defendant and the Respondent herein is the Plaintiff in the Original Suit. For the sake of convenience and clarity, the parties will from now on be referred to in this Order as per their array in the Original Suit. The Defendant filed a petition in IA.No.8 of 2023 under Order VII Rule 11 r/w. Section 12A of the 2015 Act, praying to reject the plaint stating that the Plaintiff has not fulfilled the mandatory provision of pre-institution of mediation and settlement as prescribed under Section 12A of the 2015 Act.

3. The Plaintiff filed a Commercial Original Suit against the Defendant seeking a money decree for a sum of Rs.1,91,33,739.27 (Rupees One Crore



Ninety One Lakhs Thirty Three Thousand Seven Hundred and Thirty Nine and Twenty Seven Paise) with an interest at the rate of 24% per annum from the date of plaint till realisation.

4. The Trial Court after hearing both sides, held that the suit was filed on March 28, 2019 i.e., prior to the decision of the Hon'ble Supreme Court in *M/s.Patil Automation Private Limited vs. Rakheja Engineers Private Limited*, reported in (2022) 10 SCC 1 and further a necessity arose for the Plaintiff to get an urgent relief under Order XXXVIII Rule 5 of CPC. Accordingly, the provisions of Section 12A was not complied with. Holding so, the Trial Court dismissed the Interlocutory Application. Feeling aggrieved, the Petitioner therein has filed this Civil Revision Petition.

5. Admittedly, the Plaintiff filed a suit against the Defendant seeking a money decree for Rs.1,91,33,739.27 along with interest at 24% per annum. Admittedly, the Plaintiff and the Defendant had money transaction under Section 2(c) of the 2015 Act. Hence the suit was filed as Commercial Original suit. The suit was filed on April 30, 2021 and on the same date, it was taken on file. Further, along with the plaint, the Plaintiff filed a petition under Order XXXVIII Rule 5 of CPC seeking a relief to attach the Defendant's property and hence, the suit was not referred to pre-institution mediation under Section 12A of the 2015 Act. However, since the suit was filed prior to the judgment of



M/s.Patil Automation Private Limited, the plaint cannot be rejected for non-compliance of Section 12A of the 2015 Act.

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6. Recently, the Hon'ble Supreme Court in **Dhanbad Fuels Private Limited vs. Union of India** reported in (2025) 9 SCC 424 held as follows:

“71. In light of the aforesaid discussion, we summarise our findings as under:

71.1. The decision of this Court in Patil Automation [Patil Automation (P) Ltd. v. Rakheja Engineers (P) Ltd., (2022) 10 SCC 1 : (2023) 1 SCC (Civ) 545] lays down the correct position of law as regards Section 12-A of the 2015 Act by holding it to be mandatory in nature.

71.2. As held in para 104 of the decision in Patil Automation, the declaration of the mandatory nature of Section 12-A of the 2015 Act relates back to the date of the amending Act.

71.3. As held in para 113.1 of the decision in Patil Automation, any suit which is instituted under the 2015 Act without complying with Section 12-A is liable to be rejected under Order 7 Rule 11. However, this declaration applies prospectively to suits instituted on or after 20-8-2022.

71.4. A suit which contemplates an urgent interim relief may be filed under the 2015 Act without first resorting to mediation as prescribed under Section 12-A of the 2015 Act.

71.5. Unlike Section 80(2)CPC, leave of the court is not required to be obtained before filing a suit without complying with Section 12-A of the 2015 Act.



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71.6. *The test for “urgent interim relief” is if on an examination of the nature and the subject-matter of the suit and the cause of action, the prayer of urgent interim relief by the plaintiff could be said to be contemplable when the matter is seen from the standpoint of the plaintiff.*

71.7. *The Courts must also be wary of the fact that the urgent interim relief must not be merely an unfounded excuse by the plaintiff to bypass the mandatory requirement of Section 12-A of the 2015 Act.*

71.8. *Even if the urgent interim relief ultimately comes to be denied, the suit of the plaintiff may be proceeded with without compliance with Section 12-A if the test for “urgent interim relief” is satisfied notwithstanding the actual outcome on merits.*

71.9. *Suits instituted without complying with Section 12-A of the 2015 Act prior to 20-8-2022 cannot be rejected under Order 7 Rule 11 on the ground of non-compliance with Section 12-A unless they fall within the exceptions stipulated in paras 113.2 and 113.3 of the decision in Patil Automation.*

71.10. *In suits instituted without complying with Section 12-A of the 2015 Act prior to 20-8-2022 which are pending adjudication before the trial court, the court shall keep the suit in abeyance and refer the parties to time-bound mediation in accordance with Section 12-A of the 2015 Act if an objection is raised by the defendant by filing an application under Order 7 Rule 11, or in cases where any of the parties expresses an intent to resolve the dispute by mediation.*

72. *Thus, the answer to the question formulated by us whether a suit filed without complying with Section 12-A of the 2015 Act must be dismissed or be kept in abeyance with a direction to the parties to explore mediation is as follows:*



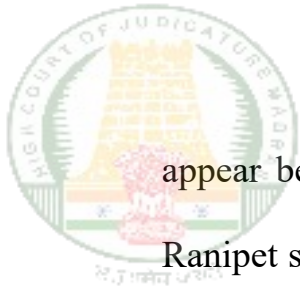
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72.1. If the suit is instituted on or after the date of the decision in Patil Automation i.e. 20-8-2022, without complying with Section 12-A of the 2015 Act, then it must meet with rejection under Order 7 Rule 11, either on an application by the defendant or suo motu by the court.

72.2. If the suit was instituted prior to 20-8-2022 without complying with Section 12-A of the 2015 Act, and the same does not fall within one of the exceptional categories as explained in para 55 of this judgment, then it would be open to the court to keep the suit in abeyance and direct the parties to explore the possibility of mediation in accordance with the 2015 Act, the PIMS Rules and the 2020 SOP.”

7. In this case, as already stated supra, the plaint was filed on April 30, 2021. However, the Plaintiff filed the application under Order XXXVIII Rule 5 seeking an urgent relief against the Defendant. Hence, the plaint cannot be rejected under Section 12-A of the Act. The Trial Court after considering the entire facts and circumstances of the case, rightly dismissed the application. There is no warrant to interfere into the Order of the Trial Court. In the result the Civil Revision Petition is dismissed. Considering the facts and circumstances, there shall be no order as to costs.

8. When the Order is dictated in open Court, both the parties requested to refer the matter for mediation for amicable settlement. In view of the facts and circumstances, both the parties are directed to appear before the District Court, Ranipet. (It is represented that now the suit is transferred to District Court, Ranipet and renumbered as OS.No.35 of 2024). Both the parties are directed to



appear before the District Court, Ranipet on 06.01.2026. The District Judge, Ranipet shall refer the matter for Mediation to the Mediation Center attached to the District Court, Ranipet.

10-12-2025

pvs
Index: Yes/No
Speaking/Non-speaking order
Internet: Yes
Neutral Citation: Yes/No

To
1. The District Judge, Ranipet
2. The Principal District Judge, Vellore



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R.SAKTHIVEL J.
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