IN THE HIGH COURT FOR THE STATE OF TELANGANA AT HYDERABAD

THE HONOURABLE THE ACTING CHIEF JUSTICE P.SAM KOSHY

CIVIL REVISION PETITION No.2592 of 2026
(CNR No.HBHC010571852026)

DATE: 02.11.2026

Reserved on: 09.10.2026 **Pronounced on: 02.11.2026**
Uploaded on: 02.11.2026

Between:
Mohammed Zakir Osman

…Petitioner

v.

M/s. IRIS Hospitals Private Limited and 6 Others.

…Respondents

ORDER: *(per Hon'ble The Acting Chief Justice P.Sam Koshy)*

Heard Mr. R.A.Achutanand, learned Senior Counsel for the petitioner.

2. The present Civil Revision Petition under Article 227 of the Constitution of India has been filed by the petitioner assailing the proceedings dated 13.08.2026 in O.S. No. 19697 of 2026, passed by the Honourable Chief Judge, City Civil Court, Hyderabad.

3. *Vide* the impugned order; the City Civil Court issued a memo dated 13.08.2026, that the suit has to be valued under Section 37(a)(1) of the Court Fee Act.

4. The petitioner was a businessman and Chairman of prestigious institutions in the twin cities of Hyderabad and in Ranga Reddy District. He was a long-term friend of, and well acquainted with, one Mr. Sukesh Gupta, Proprietor of M/s. MBS Jewelers. The said Mr. Sukesh Gupta represented to the petitioner that he was travelling abroad to Dubai, and that, being a common friend of the directors of respondent No.4-Company and being preoccupied, he was unable to attend the office of the Sub-Registrar. He therefore requested the petitioner to attend in his place, stating that a representative of respondent No.4, the owner of the property, would hand over a resolution nominating the petitioner to execute a sale deed in favour of respondent No.1. It was further represented that the exercise would take only about two hours, being confined to presence before the Sub-Registrar for affixing the thumb impression, biometrics and signature. The date of registration was fixed as 21.05.2019, between 4:00 and 5:00 P.M., before the District Registrar, Red Hills, Hyderabad.

5. The office of the District Sub-Registrar was accordingly visited by the petitioner, where his thumb impression was affixed and the sale deed presented to him was signed, whereupon he left the office. It was the petitioner's case that, by the time he reached the registration office, the documentation process had already been completed, and that only his biometrics were given for the purposes of registration.

6. Respondent No.4-Company thereafter lodged FIR No.367 of 2019, dated 19.09.2019, at Worli Police Station, for offences under Sections 405, 420, 465, 468, 471 and 120-B of the Indian Penal Code, 1860. The petitioner was summoned by the police to Mumbai, and his statement was recorded, following which a report was submitted by the Station House Officer to the Magistrate to the effect that the matter was a civil dispute. A protest petition was thereafter filed by respondent No.4, which remained pending before the Court.

7. The petitioner, having been subjected to harassment and mental turmoil, instituted the suit seeking a declaration that the registered sale deed executed by the company in favour of respondent No.1 was illegal, null and void and not binding on him. He also claimed damages and compensation of Rs.1,00,00,000/- (Rupees One Crore) against respondent Nos.1 to 4.

8. The relief of declaration was valued by the petitioner at Rs.1,00,000/-, and court fee of Rs.3,426/- was paid thereon. A note was put up by the office of the learned Chief Judge, City Civil Court, Hyderabad, before the learned Chief Judge, who, while sitting in his chamber and without hearing the petitioner, issued a Memo dated 13.08.2026, directing that the suit be valued under Section 37(a)(1) of the Court Fee Act.

9. Being aggrieved by the proceedings in O.S.S.R. No.19697 of 2026, taken pursuant to the Memo dated 13.08.2026 issued by the learned Chief Judge, City Civil Court, Hyderabad, whereby the petitioner was called upon to value the suit under Section 37(a)(1) of the Court Fee Act, the present Civil Revision Petition was filed.

10. Learned Senior counsel for the petitioner argued that the Hon'ble Court has failed to take into consideration if it is not satisfied with the valuation made by the plaintiff, the same has to be called on bench and the plaintiff counsel has to be heard. In the present case, without hearing the plaintiff counsel, the order has been passed violating the principles of natural justice.

11. Learned Senior counsel for the petitioner submitted that under Section 11(1) (a) of the Court Fee Act, the Court before ordering the plaint, to be registered, decide on the allegations contained in the plaint and the material furnished by the party, the proper fee payable. It is submitted that the said decision is subject to a review from time to time as required. Similarly, under Section 11(2) of the Act, the Defendant can always raise a plea in the written statement that the court fee is paid insufficient. All the questions on the plea shall be heard and decided before the hearing of the suit as contemplated under Order XVIII, in the 1st Schedule CPC. If the Court decides the subject matter on the suit is not properly valued or that the fee is not sufficient, the Court shall fix a date before the subject matter of the suit shall be valued according with the court's decision.

12. Learned Senior counsel for the petitioner furthersubmitted that the Section 11 of Act deals with the registration of the suit based on the valuation. In case, if the Court intends to decide a proper hearing has to be made before the Court passes an order. There cannot be a chamber order passed by the Court, without hearing the petitioner. Such an order violates the principle of natural justice and fair play and it is mandatory on the part of the Hon'ble Court to hear the petitioner

and to pass a suitable order, if the court fee has to be revised in the present case, no opportunity has been given to the petitioner.

13. Learned Senior counsel for the petitioner contended that the Court below has failed to take into consideration that under Section 19 of the 'Telangana Court Fee Suit Valuation Act, 1956', the fees to be computed in accordance with the Chapter 6, 7 & Schedule 1 & 2 of the Act. The suit is filed under Section 24 of the Court Fee Act and the valuation which the Plaintiff made was Rs. 1,00,000/-. It is submitted that the law has been laid down by the Hon'ble Court in pursuance to the court fee to be paid in a suit for declaration or in suit for cancellation of the sale deed.

14. Learned Senior counsel for the petitioner relied on the decision of the Madras High Court in the case of **Siddha Construction (P) Ltd. v. M. Shanmugam**[1], to support his contentions. The relevant paragraph is reproduced below for ready reference:

> ***"11.*** *For deciding the value of the Court Fee payable by the plaintiff the averments in the plaint alone are to be considered. In O.S. No. 13/2002, the prayer sought for is to declare the sale deed executed by the 1st defendant (the 5th respondent herein) in favour of the 3rd defendant (Revision Petitioner) as null and void and not binding on them. It is averred at para 10 of the plaint that since they are not party*

[1]2006 SCC OnLine Mad 710

to the sale deed dated 31.10.2001, which is to be declared as null and void, the plaintiff valued the Suit for the purpose of the Court Fee under Section 25(d) of the Tamil Nadu Court Fees Act. It is also further averred in para 7 of the plaint that the plaintiffs did not execute the sale deed and they did not receive any sale consideration. It is the further case of the revision petitioner that they did not make any alienation to and in favour of any one till today in respect of the suit schedule property."

15. Learned Senior counsel for the petitioner also relied on the decision of this Court in the case of **Nade Ali Mirza v. Khalida Mohammed Salim Dawawala**[2], in support of his arguments for valuation of appropriate court fees. The relevant paragraphs are reproduced below for ready reference:

17. *Clause (a) of Sub-section (1) of Section 11 of the Act mandates a Court before which a plaint is presented, to register it as a suit only after deciding, on the allegations contained in the plaint and the materials furnished by the plaintiff, the proper court fee payable thereon. Clause (b) of sub-section (1) of Section 11 thereof makes the decision of the Court under Clause (a) regarding the proper fee payable subject to review, from time to time, as occasion requires.*

19. *In view of this settled principle of law, the court has to proceed on the basis of the averments in the plaint. At this point of time, when even a written statement is not filed by respondents 1-7, it is not possible to say that by a trick of pleading the petitioners are evading payment of court fee. So the contention of the respondents that the petitioners should have also sought for declaration of title*

[2]2015 SCC OnLineHyd 505

specifically in the plaint and valued the same on the basis of the market value of the property comprised in the 107 documents sought to be declared as null and void, cannot be accepted because whether such a relief also ought to have been prayed for by the , without which the reliefs sought in the plaint by them as framed cannot be granted, is a matter to be decided after trial and after arguments are heard in the suit after the suit is registered.

... ...

31. *However, as stated above, since the petitioners are not parties to the 107 documents which they seek to be declared as null and void and not binding on them, they are not bound to seek the relief of cancellation of these 107 documents and they are not bound to pay court fee as computed under Section 37 of the Act. Therefore, the above decisions cited by the counsel for respondent nos. 1 to 7 cannot be applied to the present case.*

16. Having heard learned Senior Counsel for the petitioner and on a consideration of the material on record the question that falls for our determination is"whether the learned Chief Judge could in chambers and without hearing the plaintiff direct under Section 11 of the Telangana Court Fees and Suits Valuation Act 1956 that the suit be valued under Section 37(a)(1) of the Act and whether on the averments in the plaint a plaintiff who is not a party to the impugned sale deed in his own right and who seeks a declaration that it is illegal null and void and not binding on him is liable to pay court fee under Section 37(a)(1) in place of the fee paid under Section 24 on the valuation declared by him."

17. The impugned memo was issued at the stage of scrutiny of the plaint and the matter proceeds on the record and on the submissions made for the petitioner. The memo is more than an administrative note. It records a decision on the proper fee payable on the plaint and directs the plaintiff to value the suit in a particular manner. That decision falls under Section 11(1)(a) of the Act and is a judicial determination that affects the right of the plaintiff to have his plaint registered. It is open to supervision by this Court under Article 227 of the Constitution of India where it is shown to be vitiated by a breach of natural justice or by an error of law.

18. The memo dated 13.08.2026 was issued on a note put up by the office and the learned Chief Judge decided the question while sitting in chambers. The petitioner was not told that the valuation was under doubt and was not heard. A direction of this kind exposes the plaint to the risk of rejection if the fee demanded is not paid. It has civil consequences for the plaintiff. If the Court was not satisfied with the valuation the plaintiff or his counsel should have been called to the bench and heard before any order was made. A decision taken without such a hearing offends the principles of natural justice and the memo is liable to be set aside on that ground alone.

19. The settled approach to court fee is that the averments in the plaint alone are to be considered. This is the principle stated by the Madras High Court in **Siddha Construction (P) Ltd. v. M. Shanmugam** where the Court held that for deciding the value of the court fee payable the averments in the plaint alone are to be looked at. This Court applied the same approach in **Nade Ali Mirza (2 supra)** and held that the Court must proceed on the plaint averments and cannot at that stage assume that the plaintiff is evading fee by a trick of pleading. It was also held that whether a further relief ought to have been claimed is a matter to be decided after the suit is registered and after trial.

20. The plaint avers that the sale deed was executed by respondent No.4 company in favour of respondent No.1. It avers that the petitioner was a long standing friend of one Mr. Sukesh Gupta and attended the office of the Sub-Registrar at his request and on the footing that a representative of the company would hand over a resolution nominating him to execute the sale deed. It states that by the time he reached the office the documentation had been completed and that he only gave his biometrics and affixed his signature. He does not claim title to the property. He does not seek to recover possession

of it or to undo a transaction that he entered into for his own benefit. He seeks a declaration that the registered deed is illegal and null and void and not binding on him and he claims damages for the harassment that followed.

21. On these averments the petitioner does not stand in the position of an executant who seeks to avoid his own deed. Section 37 provides for the fee in a suit for cancellation of a document that creates or extinguishes rights in property and is measured on the value of the property covered by the document. In **Nade Ali Mirza (2 supra)** this Court held that where the plaintiffs are not parties to the documents that they seek to have declared null and void and not binding on them they are not bound to seek cancellation and are not bound to pay the fee computed under Section 37. The same reasoning applies here. The decisions that apply the cancellation provision proceed on the footing that the plaintiff is a party to the instrument and seeks to get rid of his own act. That footing is not available on the plaint as it stands.

22. The question whether the petitioner in truth attended in the limited role that he describes and whether his act of signing amounts to execution of the deed in any capacity of his own is a question of fact. It will be decided on evidence at trial. The fee cannot be fixed by

anticipating the answer to it. The criminal proceedings that arose at Worli Police Station are also collateral to the question. The fee depends on the reliefs that are claimed and the manner in which they are pleaded and not on the history of the dispute between the parties.

23. The decision in favour of the petitioner does not prejudice the defendants. None of them has yet been heard and the Act itself protects them. If they consider that the suit is undervalued it is open to them to raise a plea under Section 11(2) in the written statement. The plea will be heard and decided before the hearing of the suit on the merits. If the Court finds the fee to be insufficient it must give the plaintiff an opportunity to make good the deficiency in terms of the Act. We also make it clear that the impugned memo and this judgment concern the relief of declaration. The claim for damages is a separate relief and the fee payable on it is to be determined in accordance with the Act and is not affected by this judgment.

24. We therefore hold that on the averments in the plaint it has not been shown that the declaration sought is liable to be valued under Section 37(a)(1) of the Act. The valuation of the relief of declaration at Rs.1,00,000/- and the payment of court fee of Rs.3,426/- under Section 24 cannot be said to be incorrect at this stage. The memo

dated 13.08.2026 and the proceedings taken pursuant to it cannot stand.

25. For the foregoing reasons the Civil Revision Petition stands allowed. The memo dated 13.08.2026 issued by the learned Chief Judge City Civil Court Hyderabad and the proceedings in O.S.S.R. No.19697 of 2026 taken pursuant to it insofar as they direct the petitioner to value the suit under Section 37(a)(1) of the Act, are all set aside.

26. As a sequel, miscellaneous petitions pending if any, shall stand closed. However, there shall be no order as to costs.

P. SAM KOSHY, ACJ

Date: 02.11.2026
GSD