IN THE COMMERCIAL COURT AT CHENNAI

Present: Dr. L.S. SATHIYAMURTHY, M.A.,M.L.,Ph.D., District Judge

Thursday, the 07th day of September, 2023.

C.O.S. S.R. No. 931 of 2023

M/s. G Square Realtors Pvt. Ltd.,

Rep. By its Authorized Signatory, J Vaira Ganesh, aged about 23, No. 75, Century Cnter, TTK Road, Alwarpet, Chennai – 600 018.

... Plaintiff

/Versus/

1. M/s. J Cube Projects,

Registered Partnership Firm, Represented by its partner, Mr. J. Ramanjaneyulu, age not known, No: 137/8, 3rd floor, 2nd Avenue, AC Block, Anna Nagar, Chennai – 600 044.

2. Sarvanth Ram Creations

Registered Partnesrship Firm, Represented by its Partner, Mr. J. Ramanjaneyulu, age not known, 2/19, Kurian Complex, Nelson manickam Road, Aminjikarai, Chennai – 600 044.

... Defendants

Counsel for Plaintiff: Mr. Lieutenant Colonel Ganesan. S

This plaint has been presented through online and after pointing out the defects for rectification by the Registry and representation, this court heard the learned counsel for plaintiff.

The plaint averments are carefully read and documents are perused.

RELIEF AND SUBJECT MATTER:

In this plaint, a commercial dispute of a specified value has been brought before this Court for adjudication. There are two major reliefs prayed by plaintiff. They are,

1. Declaration pertains to a sale deed dated 23.06.2023 registered as a document MYN-1-02426-2023-24 on the file of the office of the Sub Registrar, in Mysore District, Karnataka.

2. Permanent Injunction against the first defendant from in any way alienating 'A' schedule property.

The relief of permanent injunction prayed in respect of immobile properties of 12 items situate at Belavatha village, Kasaba Hobli, Mysore Taluk, Mysore, State of Karnataka, situate outside the territorial limits and juristriction of this Court.

As per section 16 CPC, a suit in which a relief pertains the immovable properties prayed, can be filed before the Court, which has the territorial jurisdiction.

The learned counself for plaintiff submitted that the present plaint on hand is maintainable before this Court under section 20(C) CPC. For the purpose of appreciation both the provisions are reproduced. Sections 16 & 20 CPC reads as follows:

16. *"Suits to be instituted where subject-matter situate-* Subject to the pecuniary or other limitations prescribed by any law, suits-

(a) for the recovery of immovable property with or without rent or profits,

(b) for the partition of immovable property,

(c) for foreclosure, sale or redemption in the case of a mortgage of or charge upon immovable property,

(*d*) or the determination of any other right to or interest in immovable property,

(e) for compensation for wrong to immovable property,

(f) for the recovery of movable property actually under distraint or attachment,

shall be instituted in the Court within the local limits of whose jurisdiction the property is situate:

provided that a suit to obtain relief respecting, or compensation for wrong to, immovable property held by or on behalf of the defendant may, where the relief sought can be entirely obtained through his personal obedience, be instituted either in the Court within the local limits of whose jurisdiction the property is situtate, or in the Court within the local limits of whose jurisdiction the defendant actually and voluntarily resides, or carries on business, or personally works for gain.

20. Other suits to be instituted where defendants reside or cause of action arises – Subject to the limitations aforesaid, every suit shall be instituted in a Court within the local limits of whose jurisdiction-(a) the defendant, or each of the defendants where there are more than one, at the time of the commencement of the suit, actually and voluntarily resides, or carries on business, or personally works for gain; or
(b) any of the defendants, where there are more than one, at the time of the suit, actually and volunatrily resides, or personally works for gain, or
(b) any of the defendants, where there are more than one, at the time of the commencement of the suit, actually and volunatrily resides, or carries on business, or personally works for gain, provided that in such case either the leave of the Court is given, or the defendants who do not reside, or carry on business, or personally works for gain, as aforesaid, acquiesce in such institution; or
(c) the cause of action, wholly or in part, arises."

From the reading of about provision this Court is of the view that the subject matter of this plaint not situated within the territorial jurisdiction of this Court, it cannot grant any relief as it has no territorial jurisdiction over the suit properties.

Coming to the exection of Assignment Deed dt 28-11-2022, the place where a part of the cause of action said to have arose, this Court carefully read the Document No.1 filed along with the plaint. It's admissibility is a question as there are questions such as whether it was written in a sufficient Non – Judicial stamp paper and does it require registration are material aspects to be gone into. At this preliminary stage the execution of unregistered Assignment deed, dated 28/11/2022 cannot be presumed and come to a conclusion that a part of the cause of action arose in Chennai.

DISPUTE RESOLUTION: (ARBITRATION)

The plaintiff in para 19 of the plaint specifially conceeded the dispute resolution through Arbitration in clause 12(14) of the Assignment Agreement dated 28/11/2022. It extracted hereunder for appreciation.

"In the event of any disputes arising between the parties herein either with regard to the implementation of the terms and covenants herein or generally arising out of this agreement, such disputes shall be resolved by referring to arbitration to be carried out in accordance with the provisions of the Arbitration and Conciliation Act, 1996 or any amendment thereof, from time to time".

The assignment deed, which has been specifially admitted by the plaintiff consist of a clause for Arbitration. The said caluse 12(14) is applicable and the plaintiff cannot file this suit directly without exhausting the remedy provided in clause 12(14) of the Assignment agreement dated 28/11/2022.

UNREGISTERED ASSIGNMENT DEED AND IT'S NON PRODUCTION OF ORIGINAL:

The original of Assignment deed dated 28/11/2022 is not produced by the plaintiff and there is no valid or sustainable reasons stated in the plaint for non-producation of the original Assignment Deed, dated 28/11/2022.

It has been written in a Non- Judicial stamp paper for a value of Rs. 20,000/-. The question of stamp duty and want of registration of the assignment deed is a question to be decided only on production original instrument. In the absence of original document it cannot be presumed by this Court that it was executed at Chennai and a part by cause of action were arose within the jurisdiction of this Court.

Further the declaratory relief in respect of registered sale deed of an immovable property also not properly valued (Fee shall be computed on the market value of the property or on rupees five thousand whichever is higher) as per section 25(d) of Tamil Nadu Court Fee Act, 1955.

CONCLUSION:

For the aforesaid reasons, this Court is of the considered opinion that the subject matter of the suit which is an immovable property situate at Mysore, State of Karnataka and the document in respect of which declaratory relief sought for registered in the office by Sub-Registrar at Mysore District both are not within the territorial jurisdiction of this Court. Therefore, this plaint is hit by section 16 CPC.

In the result, this plaint is returned under Order VII Rule 10 CPC, for representation before proper forum of law. Six weeks time granted for representation.

> District Judge, Commercial Court, Egmore, Chennai – 08.