

IN THE PRINCIPAL COMMERCIAL COURT AT EGMORE, CHENNAI.

**Present : Tmt. Deepthi Arivunithi, M.L.,
Principal Judge**

Wednesday, the 19th day of February, 2025.

C.O.S. SR. No. 92/2025

M/s.Standard Surfa Chem India Pvt Ltd.,
Represented by its
Director Mr.S.Venkatraman,
No.85, Padmini Buildings,
First Main Road, Gandhi Nagar,
Adyar, Chennai – 600 020.

...Plaintiff

-Vs-

Mr.B.Gopi Mohan,
(alias Gopi Bhaskar Gopi Mohan)
S/o.Mr.M.Bhaskar,
(alias G.M.Bhaskar alias M.Bhaskar)
No.84, Mohan Street,
VGN Mahalakshmi Nagar,
Perumalagaram,
Thiruverkadu, Chennai 600 077.

...Defendant

This suit came before me for final hearing on 19.02.2025 in the presence of M/s.A.Thirumaran, P.Sivaraman, the learned counsel for the plaintiff.

ORDER

The present suit is filed by the plaintiff claiming a sum of Rs.75,00,000/- along with further interest at the rate of 12% per annum from the date of the suit till the date of realization.

2. The brief set of facts necessary for deciding the maintainability of the present suit as a commercial suit is set out as follows. The plaintiff is a private limited company and the activities of the plaintiff was handled by one Mr. S.Venkatraman, who was the Director of the plaintiff company. The plaintiff is in the business of

manufacturing of LANSA and trading of LAB, Sulphuric Acid, Soda Ash and other detergent raw materials. During the course of the business, the plaintiff was on the lookout for technocrats with sound financial backing to be inducted as Director of the plaintiff company. At that time, the father of the defendant Mr. G.M. Baskar was introduced to Mr. Venkatraman, the founder Director. At that time, the father of the defendant also owned various properties which he was willing to give as collateral security to secure financial facilities for the company. * As requested by the father of the defendant the over due payment of Rs.20,00,000/- was settled to the Co-operative Society limited and the property was released.

3. The father of the defendant executed personal guarantee for the Working Capital Fund availed by the plaintiff company and also deposited the title deeds of his properties. A further deed was also executed and the title deeds were deposited under a registered deed in order for the plaintiff company to obtain loan facilities from Bank of India.* The defendant was inducted as a Director of the company. During his tenure as the Director, * the defendant availed unsecured loans from the plaintiff company to the tune of Rs.22,90,000/-. Further, a vehicle TATA Harrier was also given to him to enable his effective performance. Despite all the facilities given, * the defendant did not perform his duties as Director of the company. In the meanwhile, a message was received from the defendant that his father passed away. Immediately, the Director of the Plaintiff company visited the defendant and gave Rs.25,000/- as cash for immediate expenses.

4. Though meetings were arranged to resolve the issue between the plaintiff and the defendant, the defendant refused to co-operate and sent a notice with false allegations also marking a copy to the bank. Due to this, the bank froze the account of the plaintiff. Due to the same, the plaintiff incurred a loss of Rs.1,48,56,288/-. The vehicle given by the company was also not handed over to the plaintiff. The defendant only made part payments of the amounts given. In these circumstances, the

present suit is filed for a total claim of Rs.75,00,000/- by limiting the damages claimed on account of wrongful action of the defendant.

5. Since this court entertained a doubt regarding the maintainability of the present suit as a commercial suit, the case was posted for hearing on maintainability. Heard the plaintiff counsel. The plaintiff counsel has taken this court through the facts of the present case which are already set out herein above. The learned counsel for the plaintiff would contend that since the * defendant acted as a Director, the present suit is maintainable under s.2(1)(c)(x) of the Commercial Courts Act, 2015.

6. In this regard, it is to be noted that as per the narration of facts set out hereinabove, the dispute is between the company and * erstwhile Director. It is seen that there is no direct contract or agreement between the plaintiff and the defendant. * Though the learned counsel for the plaintiff has pointed out that the suit is maintainable under s.2(1)(c)(x) of the Commercial Courts Act, the said provision deals with management and consultancy agreements. The fact remains that there is no such agreement between the plaintiff and the defendant. The cause of action in the present suit arose allegedly based on the wrongful actions of the defendant. * Thus, it is apparent that there is no commercial transaction involved in the present suit. Further, there is no merchantile document involved in the present case.

7. In this regard, this court finds it relevant to take note of the fact that the cause of action in the present suit does not fall under any of the limbs of s.2(1)(c) of the Commercial Courts Act, 2015. Under s.6 of the Commercial Courts Act, 2015, this court derives jurisdiction only when the suits are of commercial nature as defined under s.2(1)(c) and is of specified value as defined under s.12 of the Commercial Courts Act, 2015. The specified value is not in question in the present case. However, the suit does not fall within any of the limbs provided under s.2(1)(c) of the Commercial Courts Act, 2015. Thus, this court is of the considered opinion that the present suit cannot be considered to be a suit of commercial nature and therefore, this court has no jurisdiction to deal with the present dispute.

For the foregoing reasons, this court deems it fit to return the plaint in exercise of powers under Order VII Rule 10 C.P.C. to the plaintiff with a direction to present the plaint in the appropriate forum.

Dictated to Steno-typist, transcribed and typed by her, corrected and pronounced by me in the open Court this the 19th day of February, 2025.

**Principal Judge,
Principal Commercial Court,
Egmore, Chennai – 08.**

**Plaintiff side Documents : Nil
Defendant side Documents : Nil**

**Principal Judge,
Principal Commercial Court,
Egmore, Chennai – 08.**

*** deletion/alteration done based on order in Memo dated 27.02.2025.**

Draft/Fair Order

C.O.S. SR. No. 92/2025

Dated: 19.02.2025

**Principal Commercial Court,
Egmore, Chennai – 8.**