

IN THE HIGH COURT FOR THE STATE OF TELANGANA, HYDERABAD

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CIVIL REVISION PETITION NO.1932 OF 2025

Between:

M/s. Janset Labs Pvt. Ltd., A Company Incorporated under the Companies Act, 1956, Regd. Office at Sy.No.342, Plot No.135B, ALEAP Industrial Estate, Gajularamaram Village, Qutubullapur Mandal, Medchal-Malkajgiri District-55, Reptd. by its Director Rama Krishna Goulikar, S/o. Ashok Kumar, Aged about 35 yrs.

Petitioner

VERSUS

Agilent Technologies India Pvt. Ltd., Rep by its Authorised Signatory, Having Regd. Office at Ground Floor, Elegance Tower, Plot No.8, Jasola District Centre, New Delhi-110 025.

Respondent

ORDER PRONOUNCED ON: 22.09.2025

**THE HON'BLE JUSTICE MOUSHUMI BHATTACHARYA
AND
THE HON'BLE JUSTICE GADI PRAVEEN KUMAR**

1. Whether Reporters of Local newspapers may be allowed to see the Judgments? : Yes
2. Whether the copies of judgment may be Marked to Law Reporters/Journals? : Yes
3. Whether Her Ladyship wishes to see the fair copy of the Judgment? : No

MOUSHUMI BHATTACHARYA, J

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Respondent

! Counsel for the petitioner : Mr. Sharad Sanghi, learned counsel

^ Counsel for the respondent : Mr. Istiaq Hussain, learned counsel

< GIST:

> HEAD NOTE:

? Cases referred:

1. C.R.P.No.297 of 2025
2. C.R.P.No.1749 of 2023
3. (2020) 15 SCC 585

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AND
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CIVIL REVISION PETITION NO.1932 OF 2025

Mr. Sharad Sanghi, learned counsel appearing for the petitioner.

Mr. Istiaq Hussain, learned counsel appearing for the respondent.

ORDER: (Per Hon'ble Justice Moushumi Bhattacharya)

1. The present Civil Revision Petition (CRP) arises out of an order dated 12.02.2025 passed in I.A.No.266 of 2023 in C.O.S.No.15 of 2023 by the Commercial Court, Ranga Reddy District, at L.B. Nagar ('Trial Court'). By the impugned order, the Trial Court dismissed the petitioner's application for rejection of the plaint under Order VII Rule 11 of The Code of Civil Procedure, 1908, in the Suit filed by the respondent/plaintiff.

2. The petitioner is the defendant in a Suit (C.O.S.No.15 of 2023) filed by the respondent for recovery of a total amount of Rs.1,03,58,961/- consisting of the principal amount of Rs.44,53,396/- along with interest at 18% per annum, along with damages. The petitioner filed

I.A.No.266 of 2023 in the said Suit for rejection of the plaint on the ground that the Suit was barred by law under Order VII Rule 11(d) of the CPC, more specifically under the provisions of The Commercial Courts Act, 2015 (‘the 2015 Act’)

3. Learned counsel appearing for the petitioner/defendant argues that a Suit must satisfy the requirement of ‘Specified Value’ as defined under section 2(1)(i) of the 2015 Act for being classified as a Commercial Suit. According to counsel, the specified value falls below Rs.1 crore which would be evident from the prayers being divided into three separate segments consisting of the principal amount of Rs.44,53,396/-, interest amount of Rs.58,58,961/- and total amounting to Rs.1,03,58,961/-.

4. Counsel urges that this form of segregation is not permissible for computing the specified value of the Suit for the purpose of crossing the Rs.1 crore threshold. Counsel argues that the subsequent reduction of the ‘specified value’ by way of an Amendment to Rs.3 lakh may not be

applicable to the State of Telangana in the absence of a State Notification.

5. Learned counsel appearing for the respondent/plaintiff relies on the prayers in the Suit to argue that the cumulative amount of the reliefs would cross Rs.1 Crore within the requirement of section 2(1)(i) of the 2015 Act.

6. The issue which is first required to be clarified is the specified value for a Commercial dispute in order to qualify as a Commercial Suit under section 2(1)(i) read with section 12 of the 2015 Act.

7. Section 2(1)(i) of the 2015 Act defines 'Specified Value' as the value of the subject matter in respect of a Suit. The value of the subject matter is to be determined in accordance with section 12 of the 2015 Act. Section 2(1)(i) of the 2015 Act is set out below:

"Specified Value", in relation to a commercial dispute, shall mean the value of the subject matter in respect of a suit as determined in accordance with section 12 [which shall not be less than three lakh rupees] or such higher value, as may be notified by the Central Government.'

8. Section 12(1) provides the pointers for determining the specified value of the subject matter of a commercial dispute in a suit, appeal or application and includes recovery of money, movable and immovable property and any other intangible rights. Section 12 does not quantify any specified value in terms of a number in relation to the subject matter of a commercial dispute in a suit. Section 12 only aids the quantification of the Specified Value in different classes of suits involving a commercial dispute.

9. Section 2(1)(i) is the only provision which sets the lower limit of the specified value to the lowest denomination of 3 lakhs as would be evident from the words '*which shall not be less than three lakh rupees or such higher value, as may be notified by the Central Government*'. The fixation of three lakhs was pursuant to the Commercial Courts, Commercial Division and Commercial Appellate Division of High Courts (Amendment) Act, 2018 ('the Amendment Act, 2018') wherein section 4(II) substituted the earlier

‘which shall not be less than one crore rupees’

With

‘which shall not be less than three lakh rupees’. (post amendment)

10. The substitution is reflected in the amended section 2(1)(i) which defines ‘Specified Value’ in the 2015 Act. Therefore, as on date, the Specified Value in relation to a commercial dispute shall not be less than three lakhs.

11. The argument on behalf of the petitioner that the amendment to the specified value may not be applicable to the State of Telangana in the absence of a Notification to that effect is fallacious for the following reasons:

12. First, section 2(1)(i) defines ‘Specified Value’ as the value of the subject matter in respect of a Suit as determined by section 12 which shall not be less than three lakh rupees or such higher value, *‘as may be notified by the Central Government’*. The section does not contain any requirement of a separate Notification of the State Government for giving effect to the amendment, that is, reduction of the specified value from 1 crore to 3 lakh.

In fact, section 2(1)(i) only mentions Notification by the Central Government for raising the base level from Rs.3 lakh to a higher value with regard to the specified value of a Commercial dispute. A learned Single Judge of this Court took the same view in *M/s. Sri Srinivasa Construction v. D Muralidhar Rao*¹.

13. Second, the expression ‘Specified Value’ in section 2(1)(i) is distinct and different from ‘pecuniary value’ in section 3(1A) of the 2015 Act. Section 3(1A) of the 2015 Act is set out below.

“Notwithstanding anything contained in this Act, the State Government may, after consultation with the concerned High Court, by notification, specify such pecuniary value which shall not be less than three lakh rupees or such higher value, for whole or part of the State, as it may consider necessary.”

14. Third, section 3(1A) is also the result of the Commercial Courts Amendment Act of 2018. Section 6(b) of the Amendment Act, 2018 added to section 3(1) of the 2015 Act in relation to fixing the pecuniary value of the Commercial Courts at the District Level within the territorial limits of the High Courts having ordinary original

¹ C.R.P.No.297 of 2025

civil jurisdiction. Section 3(1) deals with constitution of Commercial Courts at the District Level and empowers the State Government, upon consultation with the concerned High Court, to constitute Commercial Courts at the District Level by notification.

15. The first proviso to section 3(1) empowers the State Government, in consultation with the concerned High Court having ordinary original civil jurisdiction, to constitute Commercial Courts at the District Judge Level by notification. The second proviso to section 3(1) looks at the territorial limits of the concerned High Courts having ordinary original civil jurisdiction and gives the State Government the option, through Notification, to specify the pecuniary value of the Courts within such territory-which shall not be less than three lakh rupees and not more than the pecuniary jurisdiction exercisable by the District Courts. Notably, the second proviso does not contain any requirement on the State Government to consult with the concerned High Court for the purpose of fixing such pecuniary value.

16. The subsequent insertion of section 3(1A) pursuant to the 2018 Amendment begins with a *non-obstante* clause and contemplates consultation by the State Government with the concerned High Court for the purpose of specifying the pecuniary value of the Courts as contemplated under the first and second proviso to section 3(1) by notification which shall not be less than three lakh rupees or such higher value for the whole or part of the State as it may consider necessary.

17. Therefore, the 2015 Act itself makes it clear that although section 2(1)(i) (specified value) was substituted and section 3(1A) (pecuniary value) was inserted in the 2015 Act by the same Amendment Act, 2018 and were brought into effect from 03.05.2018, both the provisions are distinct and marked by different parameters altogether.

18. The difference would further be evident from of the Amendment Act, 2018. Section 2(1)(i) was substituted by section 4(II), while section 3(1A) was inserted by section 6(b) of the Amendment Act, 2018. A more substantive

difference would be evident from the definition of ‘specified value’ which focuses on the value of the subject matter of the suit in relation to the commercial dispute, that is whether the suit qualifies for a commercial suit in terms of a minimum value in monetary terms. Section 3(1A) on the other hand is concerned with the pecuniary limits of the Commercial Court within the territorial jurisdiction of the concerned High Court.

19. In other words, while specified value forms the core of the commercial dispute for admission into the regime of The Commercial Courts Act, 2015, pecuniary value fixes the competence-parameters of the Court for receiving a commercial suit. While the former focusses on the value of the dispute, the latter sets the floor-limit capability of the receiving Court. The distinguishing features are being repeated in order to avoid confusion between ‘specified’ and ‘pecuniary’ values as envisaged in the 2015 Act.

20. Apart from the difference between the two sections, it is also evident that the requirement of a Notification by the State Government in section 3(1A) cannot be read into or

imported in section 2(1)(i), which does not contemplate any such Notification save and except of the Central Government. The order of a Division Bench of the High Court of Andhra Pradesh, Amaravati, in *Bellam Balakrishna v. Greenmount Developers*², relied on by learned counsel appearing for the petitioner, is hence required to be placed in the context of the above discussion.

21. This Court is therefore of the considered view that the specified value of a Commercial dispute under section 2(1)(i) of the 2015 Act contemplates a base threshold of three lakhs with effect from 03.05.2018. The amended section 2(1)(i) applies to the State of Telangana and no separate State Notification is required for giving effect to the said Amendment. The pecuniary value fixed by the State Government in consultation with the High Court under section 3(1A) is of an entirely different purport and is not relevant to the present case.

² C.R.P.No.1749 of 2023

22. In any event, the prayer in the Suit renders the discussion academic. On a bare perusal,

(i) Prayer A is for recovery of INR.58,58,961/- which includes interest at 18% per annum from 15.11.2020.

(ii) Prayer B is for damages to the tune of INR.45,00,000/-.

(iii) Prayer C is for Award of interest *pendente lite* and future interest at the rate of 18% per annum on the total amount of INR.1,03,58,961/-.

23. The petitioner's argument with regard to segregation of prayers (and quantum) is only for the purpose of urging that the plaint falls short of the specified value of one crore. Since, we have already held (and the statute makes it clear) that the specified value is three lakhs or more, as opposed to the pre-Amendment position of one crore, the argument is rejected as being without statutory basis.

24. We also deem it fit to reiterate that a matter would fall within under the jurisdiction of a Commercial Court or the Commercial Division of a High Court subject to

(i) the existence of a Commercial dispute within the meaning of section 2(1)(c) of the 2015 Act and

(ii) the Commercial dispute being within the specified value as provided in section 2(1)(i) read with section 12 of the 2015 Act: *Ambalal Sarabhai Enterprises Limited v. K.S. Infraspace LLP* ³.

25. In other words, a Suit must satisfy both of the above criteria for entering into the statutory regime under The Commercial Courts Act, 2015.

26. Although, learned counsel appearing for the petitioner has not disputed the commercial nature of the dispute, a suit for recovery may fall under several of the categories under section 2(1)(c) of the 2015 Act which defines a 'commercial dispute' including clause (i) thereunder. Section 12(1)(a) of the 2015 Act specifically mentions 'recovery of money' inclusive of interest as a relief in a Suit or application.

³ (2020) 15 SCC 585

27. The impugned order does not contain any discussion with regard to the specified value of the Suit and in fact proceeds on the assumption that the specified value is one crore, i.e., the pre-Amendment position. The Trial Court however dismissed the petitioner's application for rejection of plaint on the ground that the plaint discloses a cause of action for filing of the Suit. Although the Trial Court has not delved into the aspect of specified value, which is the petitioner's only argument before us, we agree with the conclusion of the Trial Court in terms of dismissing the petitioner's application under Order VII Rule 11 of the CPC.

28. Order 7 Rule 11(d) of the CPC contemplates rejection of a plaint where the Suit appears from the statement in the plaint to be barred by any law. The argument for rejection of the plaint fails since the reliefs claimed in the plaint satisfies the requirement of the specified value as defined in section 2(1)(i) of the 2015 Act,. Consequently, we do not find any merit in the CRP for challenging the impugned order of the Trial Court dismissing the petitioner's application for rejection of plaint.

29. CRP.No.1932 of 2025, along with all connected applications, is accordingly dismissed. Needless to say, the petitioner/defendant shall be at liberty to argue all points available to it under the law.

There shall be no order as to costs.

MOUSHUMI BHATTACHARYA, J

GADI PRAVEEN KUMAR, J

DATE: 22.09.2025
Note: LR copy to be marked.
(B/o)
NDS