

KABC170009142025



**IN THE COURT OF LXXXV ADDL. CITY CIVIL & SESSIONS  
JUDGE, AT BENGALURU (CCH-86) (Commercial Court)**

**THIS THE 19<sup>th</sup> DAY OF JULY 2025**

**PRESENT:  
SRI.ARJUN. S. MALLUR. B.A.L.LL.B.,  
LXXXV ADDL. CITY CIVIL & SESSIONS JUDGE,  
BENGALURU.**

**Com.OS.No.362/2025**

**PLAINTIFF:**

**Bahar Enterprises**

101, Mamatha A Block,  
IV Main, Gandhinagar,  
Bangalore - 560009

Rep By Proprietor B H Basha

**(Represented by Sri. D.S. Jayaraj, Advocate)**

**: Versus:**

**DEFENDANT:**

**Mallikarjuna Chitra Mandira**

Nehru Road, Shimogga -577201

Rep By Its Partners H R Shylesh And H R Swaroop

**(Represented by Sri.P N Harish Advocate)**

**IA.NO.III**

**Applicant/Defendant: Mallikarjuna Chitra Mandira**

(Represented by Sri.P N Harish Advocate)

**V/s**

**Opponent/Plaintiff: Bahar Enterprises**

(Represented by Sri. D.S. Jayaraj, Advocate)

(i)	Provisions under which the application is filed	U/o.VII Rule 10 R/w Sec.151 of CPC
(ii)	Relief sought for	For return of the plaint in view of lack of territorial jurisdiction for this Court to entertain the suit.
(iii)	The date on which the application is filed	10.06.2025
(iv)	Number of the application	I.A.No.III
(v)	The date on which the objections are filed by different opponents	19.06.2025
(vi)	The date on which the orders were passed on the said application	19.07.2025

**ORDERS ON IA.NO.III**

I.A.No.3 is filed by defendant under Order VII Rule 10 R/w Sec.151 of CPC for return of the plaint contending

that this Court has got no territorial jurisdiction to entertain the present suit.

**2.** It is contended that the defendant is a permanent resident of Shivamogga and the registered partnership firm has its registered office at Shivamogga and further the letter of understanding dated 14.11.2019 came to be discussed, agreed and executed at the registered office at Nehru Road, Shivamogga. It is submitted that the LOU dated 14.11.2019 was prepared on the letter head of the plaintiff at Shivamogga and it is signed only by the plaintiff and the defendant which is again at Shivamogga. Moreover the transfer of the amounts also has been towards the bank accounts at Shivamogga. It is submitted that when all the transactions have taken place at Shivamogga and the defendants being residents of Shivamogga carrying on the business at Shivamogga it is only the jurisdictional Court at Shivamogga which could entertain the present suit and on these grounds sought for returning the plaint for presentation before proper forum.

**3.** Objection is filed by the plaintiff to the said application contending that the LOU dated 14.11.2019 has been

executed at the office of the plaintiff situated at No.101, Mamatha 'A' Block, 4<sup>th</sup> Main, Gandhinagar, Bengaluru and as per the terms of the LOU the plaintiff was paid a sum of Rs.15,00,000/- which is transferred to its account situated at K.G. Road Bengaluru from the account of defendant at Canara Bank, Shivamurthi Circle Branch, Shivamogga and that part of the cause of action has arose at Bengaluru and therefore this Court has jurisdiction to entertain the present suit and that present application is filed only to protract the proceedings and delay adjudication of the dispute and sought for rejecting the application with costs.

**4.** Heard the learned counsels appearing for the defendant and the counsel for the plaintiff and perused the entire material on record. Counsel of defendant has filed memo with two decisions.

**5.** The points for consideration are:-

1) Whether the defendant substantiates that this Court has got no territorial jurisdiction to entertain the present suit?

2) What order?

6. My answer on the above point is as under:

Point No.1: **In the Negative.**

Point No.2: As per final order for the following

**REASONS**

7. **POINT NO.1**:- The plaintiff has file this suit for recovery of a sum of Rs.23,47,500/- with interest thereon. The defendant has appeared and filed written statement and also has raised a counter claim.

8. Before considering the application on merits it would be just and proper to refer to the decisions relied upon by the learned counsel for the defendant wherein the observations have been laid down with respect to applicability of Sec.20 of CPC as regards jurisdiction of Court. Learned Counsel for the defendant relied upon judgment of our Hon'ble High Court reported in **2017 SCC OnLine Kar 6677 Canara Bank vs. Girija Prasad Gupta** wherein at paragraph 16 and 17 it has been observed as understanding

*Para 16: By a plain reading of Section 20 of the Code of Civil Procedure, it is clear that every suit shall be instituted in a Court within the local limits of whose jurisdiction - 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 any of the defendants, where there are more than one, at the time of the commencement of the suit, actually and voluntarily resides, or carried 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 the cause of action, wholly or in part, arises. The explanation to the said provisions clearly indicates that a Corporation shall be deemed to carry on business as its sole or principal office in India or, in respect of any cause of action arising at any place where it has also a subordinate office, at such place.*

*Para 17: The scope and principle of the clauses (a), (b) & (c) of Section 20 of CPC., are independent to each other. The principle underlying Section 20(a) and (b) is that the suit to be instituted at the place where defendant can defend the suit without undue trouble.*

**9.** He has also relied upon judgment of our Hon'ble High Court reported in **2007 SCC Online Kar 529, R. Venkatadas vs. Master Arun**, wherein at para 9 of the judgment it has been observed as under:

*Para 9: Section 20 of the CPC which provides for institution of suits where the defendant resides or whole or part of the cause of action arises should*

*be so construed on the aspect of part of cause of action arises so as to retain the jurisdiction of the Civil Court at the place where some part of cause of action arises and not to exclude the jurisdiction of the Court. The object of restricting jurisdiction to a place where the defendant resides is to ensure that the defendant who has to defend the suit is given a fair opportunity. Such object is not in any way defeated if the defendant in the suit has to face the suit claim in a Court at Mangalore, particularly as some part of cause of action had arisen even on the facts of the present case.*

**10.** Sec.20 of CPC deals with respect to jurisdiction of the Courts. No doubt Sec 20(a) and (b) of CPC provides that every suit shall be instituted at the place where the defendant resides or ordinarily carries his business. Sec.20(c) of CPC stipulates that suit can also be filed where the cause of action wholly or in part arises. It is not in dispute that defendant is a resident of Shivamogga. The partners of the defendant are also resides in Shivamogga. The subject matter of the suit is the letter of understanding (LOU) dated 14.11.2019 and based on its terms the present claim has been preferred.

**11.** According to the defendant the LOU came to be executed between plaintiff and defendants at Shivamogga

and not in Bengaluru. Per contra the plaintiff would submit that the LOU is on the letter head of the plaintiff whose office is situated at Gandhinagar Bengaluru and therefore the Courts at Bengaluru has got jurisdiction to entertain the suit. On perusal of the LOU dated 14.11.2019 no where it is stipulated that the same has been executed at Shivamogga in the office of the defendant at Nehru Road, Shivamogga. Further clause 5 of the LOR stipulates that the defendant has paid the amount of Rs.10,00,000/- to the plaintiff through RTGS on the account maintained at Karnataka Bank, K G Road branch, Gandhi Nagar, Bengaluru. The cause of action for the suit as described in the paint first arose on 14.11.2019 when the LOU came to be executed. The defendant has not placed on record any materials to infer that LOR was executed at Shivamogga. Therefore even though the defendants are residents of Shivamogga the cause of action in part or in whole has arose at Bengaluru where the LOU has been signed. It is now a subject matter of trial as to where exactly LOU came to be executed. Therefore under such circumstances the provisions of Sec.20(c) is attracted which stipulates that cause of action arose at Bengaluru and therefore the present Court has the jurisdiction to

entertain the suit. Same is also the observations made by our Hon'ble High Court in the decision of **R. Venkatas** cited Supra in last three lines of Para 9. Hence contention of the defendant that this Court has got no territorial jurisdiction to entertain the suit cannot be sustained. Accordingly, I answer Point No.1 in the **Negative**.

**12. POINT NO.2:-** For the aforesaid reasons, I pass the following:

**ORDER**

I.A.No.3 filed by the defendant U/o.VII Rule 10 of CPC is **rejected**.

No order as to costs.

(Dictated to the Stenographer Grade-III, transcribed by her, corrected and then pronounced by me in open court on this the **19<sup>th</sup> day of July, 2025**)

**(ARJUN. S. MALLUR)**  
**LXXXV Addl.City Civil & Sessions Judge,**  
**Bengaluru.**